Daily Report

Latin America

FBIS-LAT-92-250
Tuesday
29 December 1992

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Mercosur Summit Opens in Montevideo 28 Dec

Presidents Arrive

PY2812153892 Madrid EFE in Spanish 1245 GMT 28 Dec 92

[Text] Montevideo, 28 Dec (EFE)—Argentine President Carlos Saul Menem and Paraguayan President Andres Rodriguez arrived this morning in Montevideo to attend the summit of presidents of the Common Market of the South (Mercosur) to be held in Montevideo today. Brazilian Interim President Itamar Franco arrived in Montevideo last night.

The three presidents will study with their Uruguayan counterpart, Luis Alberto Lacalle, the negotiation process in the Mercosur, and will confirm the integration program in response to the doubts and criticisms made in the last few weeks in the four countries.

The five-hour Montevideo "summit" that includes a luncheon will be the shortest held by the four presidents since March 1991, when the Asuncion Treaty that created Mercosur was signed. The reason for the short meeting is that Itamar Franco must immediately return to Brazil, because the impeachment process against suspended President Fernando Collor de Mello is expected to begin tomorrow.

Lacalle Opens Summit

PY2812210192 Madrid EFE in Spanish 1531 GMT 28 Dec 92

[Text] Montevideo, 28 Dec (EFE)—Upon opening a presidential summit in Montevideo, Uruguayan President Luis Alberto Lacalle today said the path being pursued by the Common Market of the South (Mercosur) member countries "is full of difficulties, but there is no other path."

Argentine President Carlos Menem, interim Brazilian President Itamar Franco, Paraguayan President Andres Rodriguez, and Lacalle are reviewing the Mercosur's progress and negotiating problems.

Diplomatic sources told EFE the presidents will confirm the political will of implementing the [Mercosur] program as a way to dispel the criticism and fears that recently have surfaced in the four countries.

Lacalle stressed: "Nations are mainly governed by the duty of abiding by the truth. Therefore, we must tell them the integration process is actually facing difficulties. It will not be easy, but there is no other way to multiply our potential and grow." The Uruguayan president noted: "The integration process must be understood as one involving equality, not as the prevalence of one country over another. This integration chain is as strong as the weakest links."

Lacalle said: "World changes are constantly taking place and the international situation today is different from the one that prevailed six months ago during our previous summit because the United States has a new president and the United States, along with Canada and Mexico, has signed the North American Free Trade Agreement (NAFTA)."

The Uruguayan president added: "Given this new situation, the Mercosur must take a common stand."

The Mercosur Treaty was signed in March 1991 in Asuncion, Paraguay. It promotes gradual tariff reductions for trade among the four Mercosur member countries until an open market (no tariffs) is achieved by 1 January 1995.

Rodriguez Discusses Integration

PY2812225592 Asuncion Radio Primero de Marzo in Spanish 1430 GMT 28 Dec 92

[Speech by President Andres Rodriguez at opening ceremony of Common Market of the South, Mercosur, summit in Montevideo, Uruguay, on 28 December—recorded]

[Text] We are attending this third meeting of the Mercosur council with the main objective of evaluating the integration process. We are sure that through a critical and moderate analysis, we will be able to define the political guidelines that will allow us to reassert the commitments we made during the Las Lenas summit.

We are living through a crucial point of the integration history of our countries. Although the purpose and ideals of this community action remain irrevocable, the latest events seem to reflect certain uncertainties in our international trade relations which force us to clarify concepts about what has been done and what remains to be done to attain full integration.

Our peoples' genuine aspirations will once again be shelved if we do not find, with a broad and realistic spirit, answers to the current (?demands) and the challenges of the future.

We are sure that a consistent attitude by Mercosur member countries to comply with the objectives that were clearly expressed in the Asuncion Treaty is an essential requisite for the concretion of this process. My country seeks solutions in keeping with the spirit of the Asuncion Treaty. A policy of not respecting the treaty, and consequently of retaliations, can only cause regression and set back the clock of Latin American integration.

The current moment requires from us practical solutions, a clear determination of the problems that affect us, and a firm decision to seek solutions to arrive at a happy end in this (?enterprise) that has created so many expectations and hopes among our peoples in South America and in other countries of the world.

As for the current situation of our economy, the transformation of a financial intermediation system to the development of the capital market and our insertion in the international financial community occupies essential space. We have normalized our foreign debt payments and

have created the National Securities Commission [Comision Nacional de Valores]. The overdue Paraguayan foreign debt has almost completely been repaid, and the pending debt will be repaid as scheduled. Our current foreign debt level stands at $1.3 billion. It is the lowest foreign debt in Latin America. It has been reduced from 53 percent of the Gross Domestic Product [GDP] in 1987 to just 19 percent of the GDP in 1992.

The tax reform and the implementation of Value Added Tax [VAT] has been a difficult but agreed on process by all social factors. The (?fiscal reform) is now definitely underway. The restructuring of public companies is a reform that seeks an overall rational system and not an instrument through which to pay for the fiscal deficit. The economic activity of our country, which is mainly agricultural, was this year affected by two external factors: First, the great drop in the international prices of cotton, which is the main source of hard currency for our country and of employment among peasants; and second, a reduction in the yield of our crops which were harmed by floods that reached unprecedented levels this year.

These factors affected the 1992 economic activities. Their effects would have been much worse if the Paraguayan Government and people had not quickly responded to the situation and prevented a major catastrophe. In face of the international cotton price crisis, cotton production received, for the first time, a subsidy.

Another government action was the implementation of a low-interest rate credit package for agricultural producers. Inflation in 1992 will reach 18 percent, slightly higher than that of the former year. Despite this, and given the dynamism of other economic sectors, the economic growth rate reached nearly 2 percent.

For these reasons our exports were reduced, given that the exchange rate was greatly affected by the inflation rate, while our imports remained at the same level as in 1991. Gross investments will amount to about 27 percent of our GDP in 1992, demonstrating an increase compared with the two previous years.

The social sensibility of our fiscal policy was reflected in increased budgets for the social ministries. For example, during the 1989 to 1993 period, the Education Ministry budget was increased by 933 percent, the Health Ministry budget was increased by 948 percent, the Agriculture and Livestock Ministry budget was increased by 1,468 percent which includes the transfer of funds of the [word indistinct] Agrarian Reform Institute for agricultural credits.

Another important aspect of this administration is the construction of low income housing. We financed and supervised the construction of approximately 16,000 houses from February 1989 to this date. The goal is 20,000 houses before the end of this administration.

These figures are very revealing. We seek a trade reform that will enable us to expand, improve, and ensure a competitive trade level similar to that of international trade, in a quick and efficient manner with dynamism and with greater participation of the private sector.

The objectives of this government are to consolidate its structural reform (?require) macroeconomic balance, stability, and new rules for the private sector based on market laws.

It would have been easy to manipulate the [word indistinct] to obtain a 5 or 6 percent economic growth, we could have increased public expenditures at the expense of the fiscal deficit, we could have increased the internal demand or subsidized financial and exchange market costs through a government-administered economy.

However, the economic policy of this administration is following and will continue to follow, a philosophy of realism, transparency, the delimitation of the role of the state and society, and the construction of a better future for future generations without subordinating these objectives to private interests or short-term financial speculations.

The modernization of our economy cannot tolerate regression. We cannot return to government interventionism or to a slow isolation of the region.

What I have so far explained demonstrates the existence of a consistent economic strategy by this administration, which has made considerable progress in adopting and implementing measures and reforms. The broad nature of these measures are not inspired in dogmas but in a pragmatic spirit which, by preserving the strategic objectives, urgently avoids [words indistinct] the current situation.

Next year my administration will pass the torch of integration and development to the next administration. Until then we will continue to encourage and continue to work for these ideals with the same enthusiasm as on the first day of our administration, sure that the process we initiated is irreversible because this is the unbreakable decision of our Paraguayan people.

I wish you, the governors and peoples of Mercosur integration, a Merry Christmas and a better (?future) for 1993 in the name of the Paraguayan people and government. Thank you.

Menem on 'Historical Step'

PY2812183792 Montevideo Radio El Espectador Network in Spanish 1500 GMT 28 Dec 92

[Text] Argentine President Carlos Menem termed as historical the agreement that will soon be signed, calling it the most historical since Mercosur [Common Market of the South] was established two years ago.

Menem said that a historical step was taken with the creation of the Mercosur in 1985, when Argentina and Brazil reached the first agreement. Paraguay and Uruguay then joined it and the Asuncion Treaty was signed.

El Espectador Information Service reported part of Menem's speech, delivered during the inaugural ceremony held at the Transport and Public Works Ministry auditorium.

[Begin Menem recording] If one concentrates on the huge task that had to be carried out by other countries to successfully consolidate the integration process, one must emphasize with gratitude and pleasure what we have done in a short time. The second anniversary of the creation of Mercosur through the signing of the Asuncion Treaty will be celebrated in March 1993.

The EEC integration process began almost 40 years ago. It started as a community of coal and steel, and based on these small communities, these countries—with constant upheavals, different languages, religions, and very different interests—recently have thought about the possibility of integrating late next year or early in 1994.

We started with an integration proposal between Brazil and Argentina in 1985. We then made quick progress. A longstanding demand of our people that remained only in the papers and in the permanent rhetoric for more than 100 years became a reality.

The integration process was finally achieved because the Latin American countries, and especially these four countries of the region, have obviously institutionalized their possibilities for growth within the framework of democracy and freedom. We have not only achieved these goals but we have managed to reconcile our interests to make progress in the economic field. [end recording]

Franco on Future Strategy

PY2812205092 Montevideo Radio El Espectador Network in Spanish 1500 GMT 28 Dec 92

[Text] Brazilian interim President Itamar Franco, who probably will become the constitutional president after the Brazilian Senate votes on the formal impeachment of suspended President Fernando Collor, commented on the need to draft a strategy to achieve regional economic integration without favoring some and overlooking others. He thus fully ratified Brazil's wish to become entirely integrated into the Common Market of the South, Mercosur.

Here is part of the speech delivered by President Franco. This is how he referred to Mercosur's objectives and realistic framework:

[Begin Franco recording] [Word indistinct] and objectives for establishing the Mercosur: the exceptionally dynamic trade among our countries, the opportunities that are materializing, and the opportunities for acting together before third markets that already are beginning to appear. [Words indistinct] scope of the diversity and depth of our (?common) interests. Subregional integration occurs in particularly delicate circumstances in our four countries. Our governments are implementing fair adjustment policies to reduce their public deficits and fight inflation.

I am aware modernization calls for a series of efforts in the economic and, especially, in the social fields. I will try to concentrate my efforts on achieving macroeconomic stability and reversing the process that, in the last few years, has been increasing social imbalance in the country. I also will adopt measures seeking to promote the economic growth of our country.

Democratic coexistence does not allow us to resort to arbitrary actions that disrupt the citizens' lives. Without an atmosphere of credibility and macroeconomic order, we cannot competitively join the international economy and intensify our trade with serious partners. I frequently have been repeating that I will not surprise Brazilian citizens or our trade partners by adopting unilateral decisions or any sort of measure that has not been previously discussed.

The confiscation of funds in Brazilians' savings passbooks, the freezing of prices, and other similar measures—which already have been imposed on the people in an authoritarian and subjective manner—are therefore excluded from the measures to be implemented by me. [end recording]

These were the words of the Brazilian interim president who will (?probably become the future constitutional president of Brazil).

Summit Concludes

PY2912132892 Madrid EFE in Spanish 2129 GMT 28 Dec 92

[Text] Montevideo, 28 Dec (EFE)—Argentine President Carlos Menem, Paraguayan President Andres Rodriguez, and Brazilian interim President Itamar Franco today returned to their respective countries after having attended a summit of the member countries of the Common Market of the South (Mercosur) in Uruguay.

The three presidents and their Uruguayan counterpart Luis Alberto Lacalle reaffirmed their political will to strictly comply with the integration process as a response to the criticisms, doubts, and fears that have spread in the four countries in recent months. The presidents established a common maximum external tariff of 20 percent beginning June 1993 on trade among these countries. They also voiced their desire to strengthen trade with the United States, the EEC, and Japan.

It has also been announced that the fourth presidential summit of the group will be held in Asuncion, Paraguay, in June 1993.

Cuba

Castro Delivers Speech at Guines Cooperative

FL2812181292 Havana Television and Radio Networks in Spanish 2313 GMT 27 Dec 92

[Speech by President Fidel Castro at the Amistad Cubano-Bulgara Agricultural-Livestock Cooperative in Guines Municipality, Havana Province, on 26 December—recorded]

[Text] [Castro] Comrades: It was a little late by the time I was able to leave to come here. I said: Well, if the ceremony is from 1500 to 1600, there is not much hope that I will get there in time. I was talking with Carlos Perez, who was in Menocal. He was leaving, Basulto [not further identified] had already left, so I was going to leave. I did not say anything to him, but I also made an effort to come. On the way, I said to the comrades: Well, it is better to arrive late than never at all. In addition, there were all kinds of things out on the highway: carts, horses, bicycles, trucks, buses. That was risky, not so much for those of us who were going somewhat fast, but for those who were also going along the highway.

There were kids, students near some schools. That is why in the end we had to slow down to get here. We had to find out what the most direct route would be. They said it was around here where Brigade No. 30 is. Lage said that he had been here for a youth event. They told me there was a workshop and that the cooperative was near the workshop. But, we hoped you would not have dispersed yet, and at least we could arrive in time for a small part of the ceremony.

I was interested in all those figures. I am interested in hearing even more figures. I consider this cooperative movement very important. It is a real pity that the special period did not catch us with all the farmers' land organized into agricultural-livestock cooperatives [CPA]. The movement has gone slowly. It is voluntary, as you know, strictly voluntary. No pressure has ever been exerted. Perhaps we began it a little late. In the first part, all the stress was laid on developing the state enterprises. We did not touch the small farming sector out of respect for their mode of production, style, and customs.

I think that perhaps the cooperative movement should have begun sooner, but above all, the cooperative movement should have begun a lot before the famous free farmers' markets. Or perhaps we should never have come up with that formula of the free farmers' markets, which did us so much harm in all spheres. Even in the ideological sphere, because there are those who believe the free farmers' markets are going to supply the markets. Who is going to tell you a story, and who is going to tell us a story, about how the markets should be supplied? With the hundreds of thousands of quintals per month, almost 1 million quintals per month, that the markets in Havana need? And the hundreds of trucks that are needed to carry the produce to them?

We cannot supply that monster with small farms. You can be absolutely certain about that. Unfortunately, the free farmers' markets were introduced in the middle of the development of the cooperative movement, and the cooperative movement came to a halt, because as soon as many people could collect all the money they wanted at a time when materials and everything were abundant, those free farmers' markets brought the cooperative movement to a halt. I think that was the greatest harm they did us. But they did quite a lot of ideological harm too. They enriched a lot of people, not because they produced more, but because they sold at much higher prices. If you sell a head of garlic for one peso, this does not mean that you will make more money by producing much more garlic, but rather by selling it at a much higher price.

That was what happened, as a rule, with the famous free farmers' markets. This gave people delusions, people who also had a little more money. A lot of the fertilizer that was supposed to be used in the production supply plan was used for the products that were going to the free farmers's markets, to the detriment of the supplies going to the city. Since from time to time a pig, goat, chicken, sheep, or four hens appeared—all of that totalled barely 2 percent of the supplies to the city—there were people who got delusions about the free farmers' markets. That is the truth. So they harmed the organization of agriculture and agricultural production.

They did harm in the ideological sphere to a lot of people, not just small farmers but also people from the cities. Collection....[pauses] Imagine collecting—not the production we have now, unfortunately—2.5 billion eggs, small farm by small farm. How many people would you need, how many trucks would you need, to do that? Today, we have arrived at a procedure for production and distribution which is marked among other things by what they are already doing at many farms: They have trucks and they send the products directly to the markets.

You have no idea of the advantages there are in sending the products directly to the markets, because they are sent quickly, when they are fresh. The state enterprises that are sending their products are making up to one and one-half trips by truck per day. They are not just taking them to the agricultural distribution centers. They take them to the agricultural distribution centers so that they can be organized and told where to deliver them, to what small market. They do not even have to unload there, at the agricultural distribution centers. They load at the enterprise, they arrive at the centers, they are weighed, and the trucks with all the products go directly to the small markets, almost directly from the producer to the consumer. You have no idea of the transportation and time this saves, with the possibility of delivering the products fresh.

This same thing can be done with the CPA perfectly well. We can see that with a relatively small number of trucks we are now supplying many markets. How many trucks does the Guines enterprise have? They have not yet started. Which ones have already started this? Artemisa. How

many trucks do they have? They have 11 trucks. Of course, in peak seasons like the one that is approaching now, they need many more. What others do this? Guira. How many trucks do they have? There are five enterprises that now have the trucks to distribute directly to the markets. This is a tremendous advantage.

The CPA are wonderful. This is an excellent form of organization for agriculture, and you are showing this. See how easily [Orlando] Lugo [Fonte] spoke here about the 27 CPA in Havana Province, and how easy it is to discuss things with 27 CPA, make schedules and plans with 27 CPA, meet with them, with the CPA management. There are 27, and they are going to produce....[pauses] What were your figures, Lugo. How much are the 27 going to produce? You said 2,600,000 more or less? It was 3,191,800 [quintals]. That was what percentage of the small farming sector production? It was 53 percent. The products must be collected from 27 places, and taken to the markets from 27 places. How many credit and services cooperatives are there? The products must be collected....[pauses] They are going to produce less than the 27 CPA, 2,474,000 [quintals], and this must be collected from 1,375 places. So organizing production, planning it, with 30, 40, or 50 entities is not the same as organizing and planning it with thousands of entities, or thousands of different centers.

There are eight miscellaneous crops enterprises and 27 CPA. That gives 35. How much are those two kinds of entities going to produce? No, both of them. I consider that the two of them should produce next year, if these plans are met more or less, at least 11 million quintals. At least. Yes, I am constantly making calculations, and I know that 11 and 2.4 would give 13.4, but if 14 million is reached, 11.6 would be from those 35 entities; that is, the 27 CPA and the eight state agricultural-livestock enterprises. That is without counting the small amounts that small farmers and small landowners say they are going to contribute to production next year.

A lot of techniques are simplified and facilitated to an extraordinary degree. The use of that Fregat irrigation machinery for five or six caballerias is impossible to apply to the small farms. Everyone knows that that irrigation machinery is the most economical, conserves the most fuel, distributes the water best, gives the best yields. Bananas with the microjet irrigation system need at least six or seven caballerias so there can be a processing center. Imagine if you had that divided into 40 or 50 places. You would have to put all those bananas on a cart and take them to a processing center so they will not spoil, to preserve the bananas, protect them, pack them. But in the cart while they travel kilometers the bananas spoil, they get bruised, they are damaged. It is not the same as having seven caballerias, and the bananas can even be carried on cables to the processing center.

When you have to spray, do you think you can spray 3,000 different banana plots by plane or with the microjet system? In addition, do you think you can produce up to 600 or 650 caballerias of bananas with the microjet system? This must be done in compact areas. Otherwise it is impossible, because you need the piping, machinery, and processing centers. This can only be done compactly. That is true. That is what experience shows. Where we have the elements of greatest uncertainty for everything—organizing production, ensuring pest control, organizing the irrigation equipment, using the most productive irrigation equipment, using the machinery—where we have the most problems is with production on small plots, fragmented production. That is very difficult. There are many things that cannot be done.

This is regardless of the fact that there are small farmers who are excellent producers. There are small farmers who are not only excellent producers but are also researchers and innovators. We know a few of them, and we even take advantage of their experience because we have made them advisors to the Executive Committee, because they know things, they invent things. But they are not the rule, but really the exception. They are very good, and they help. There are also some products that are almost better to produce on small plots rather than large expanses of land. That is a fact. But also on a cooperative like yours, you can set aside some plots for some things. If you want to plant garlic, you can plant a relatively small plot of garlic, (?or grain), or vegetables, or different things.

That is why if there is something we regret, it is that we have not been able to meet the special period with all the land of the small farmers turned into CPA. This is not so, because of the Revolution's concept and principle: the principle of respecting absolutely the small farmers' free will. We also know that everything that is illegal or illegal trade does not really take place at a state miscellaneous crops enterprise. It does not take place at a CPA. There is order, discipline, respect, and all. The irregularities are committed primarily where there are plots, parcels, and little pieces of land. But not in all of them, not in all of them, [repeats himself] because there are individual small farmers who are very responsible, reliable, and honest. But most of the headaches concerning collection and marketing do not come from the CPA. It would be wonderful—that is why I say this—if under circumstances like these everyone were organized as you are.

That is why we feel such special pleasure, and it is the primary reason that, despite the time and the bicycles and all the obstacles along the way, I made every effort to get here, to congratulate you, to give recognition to the meaning of this feat of having reached 400,000 quintals of tubers, vegetables, and grains. Because it is really a production feat and proof that this is a superior form of agricultural production.

Even your lives are different. You do not live as isolated families as in the time of Christopher Columbus. No, I am wrong. In the time of Christopher Columbus the families did not live in isolation. They lived in villages. [chuckles] That was after Columbus, when the Spanish conquered and divided. They created those famous estates. I think they picked a central point, right? You can still see the estates from a plane. They placed a guy in a central point and said: It is yours as far as the eye can see, all around. I

think that was one league and something. Do any of you know how much land the famous Spanish estates had? [Puerto Real Mayor Jose] Barroso, you are not to blame for that. Do not try to hide.

No, they had a league. This can be seen from a plane or helicopter. In many places, the roads go in circles like that. The traces of the old estates are still there. The Spanish came and divided up the land, and with the land they also divided up the Indians. An owner would come and say: Well, I am the owner of all this. Then the land was broken into plots. The size of those estates was enormous, gigantic.

But then foreign companies came and had more land than those estates did. There were individual landowners who had much more land than those estates. There were some like that. Others had less. Some of the land was broken into plots. But that way of living isolated, individually, belongs completely to the past. The cooperatives create a different sense of life, another (?concept), a spirit of cooperation. One lives more in community. Our cooperatives are showing everything that can be done and how living standards can be raised. Self-sufficiency can be ensured, everything can be organized, and the city can be supplied.

I do not doubt that with 50 miscellaneous crops cooperatives....[pauses] Well, not them alone, but with the state miscellaneous crops enterprises, we could supply the city, with 50 or 60 entities, making the whole process of collection, distribution, and all that easier, reducing expenses to an extraordinary degree, and using the most modern technology. I understand that you have a CRE [expansion unknown] here also, right? That means you are at a very high level, because it means producing biological pesticides within the cooperative itself. You have a large workshop. I imagine that the workshops have lathes. I imagine that you make parts. I imagine that you can solve many problems.

Now I know that the cooperative is planting bananas with microjet irrigation. How much is that going to be, 10 caballerias? With those (?8.40) [caballerias] you may produce about 150,000 quintals when it is fully productive. I am not only sure that you will reach 500,000 quintals next year, if the weather is normal....[pauses] If there is a hurricane, things will change, as is natural everywhere; but in normal times you should reach 500,000 quintals. That is a really notable thing. How many caballerias do you have? You have 70 under cultivation. (?There will be more) with the about eight caballerias of bananas. They will have their processing center as well, right? When they are fully productive, and with the quality of your cultivation, you will not fall far short of 20,000 quintals per caballeria.

The important thing about your production is that it is not reached based only on bananas grown with microjet irrigation. You do not have the bananas with microjet irrigation yet. Rather, it is of miscellaneous crops in general, which includes potatoes, cabbage, and garlic. How many different commercial crops do you have? You have 30 commercial crops. How much cabbage did you plant for December? You planted 3.80 [caballerias]. What yields are you getting? You are getting 12,000 quintals. You are harvesting it now. Are you planting lettuce? You do not plant lettuce. How much potato have you planted? Have you already finished planting it, or are you finishing it? Do you think you will finish by 31 December? You have everything ready to finish it. You have harvested boniato, malanga, and yuca also. How is the yuca? You did not have a lot. Plantains, the traditional plantain variety, right? And Censa [National Center for Agricultural-Livestock Health] variety plantains. How much does that produce? How much do you calculate? Almost 8,000 quintals per caballeria. What machinery are you using to irrigate? The gravity system. In spite of that, you have those yields with the Censa plantain, right? More than 6,000 quintals.

How is self-sufficiency going? How many cows for milk production do you have? But you already have them. You are trying to be self-sufficient. You are developing some production. How many oxen are you using? You have 48 ox-teams. How many are you going to have in the end? You will have 80 ox-teams. Right. How many members of the cooperative are there? You have 302, working. The retired people also lend a hand during the peak harvest season and that. How many people are in the town? Do they come here to these fields? Are we in the town here, or where are we? Do you have a family doctor here? How many, one? A doctor and a nurse. Are they right here? How far away? And those buildings we can see there? Do you have a childcare center? It is not yours, right? Where is the school? It is the same as the town school. Isn't it better that way, or would you have preferred to live separately? Yes, you live together. There are some 300 cooperative members. How many children are there? [words indistinct] They go to the town school? The secondary and primary school and all. Do you have any work force helping you, any mobilized workers? You have three schools with students who work in the fields in the harvest months. How many children, students, do they have? There are 350 students who help you with the harvests of vegetables, cabbage, and all that.

Did you plant all the cabbage in August, or did you plant some in November and December? How much? When do you intend to harvest it? It yields more, right? It is the Hercules variety. What did you plant in August? The Hercules variety, and it yielded about 12,000 [quintals], right? What is the yield when you plant it in December? But when planted in December, the Hercules variety can give 15,000 or 16,000. Do you plant tomatoes? Is that one of your commercial crops? What variety are you planting? The 38-80? How is the 38-80? How much of it do you think you will harvest? You will get more than the [words indistinct], right?

How many workers does the CRE have? It has two, and you are producing all the biological pesticides you need. Which ones have given you the best results? All those biological pesticides have had good results here at the cooperative.

How much garlic do you have? What yield did you get last year? This year you expect how much? You are not going

to use lime, the technique of that small farmer in Guira de Melena who dusts lime on? It helps the yield, right? That is good.

Well, I think the pledges you have made are very good. Lugo, I think the way you are approaching the problem with the small farmers, with the CPA and the small farmers, is very good. This is very important, that style of working or talking with each of the small farmers, the individual pledges, the signing of all those pledges. I think that if the weather is normal, whatever the difficulties, more tubers and vegetables should be produced next year. This year, I think we will be around 11 million [quintals], which is a record figure, a record. In the middle of the special period, the records for tuber and vegetable production have been broken. I have no doubt we can come close to 14 million, if the individual farmers and the CPA produce 6 million, if the figure you have given is met.

I calculate that state production, especially based on the share of the banana plantations and the potatoes and other crops, should come close to 8 million quintals. We must also see if the December planting plan is met, if the January and February plans are met. I have been trying to keep up to date with the figures for these crops, and how the cabbage is going. Cabbage is a high-yield crop, especially if it is protected by pesticides. Cabbage planting has increased this year. Carrot planting has been increased, or should be increased. It should total 140 quintals [as heard]. It is a very important product because of its nutritive qualities and especially because of the amount of vitamins carrots have. So there are 140 caballerias of carrots.

There are 133 caballerias of cabbage, in addition to the 20 planted in August. We took the idea of planting it in August from you. Based on your experience last year, we spread the idea of planting at least 20 caballerias of cabbage in August to have cabbage in December. In fact, now in December, the populace is eating cabbage, thanks precisely to this experience of yours which we have applied in other places in the province. We have applied it at the state enterprises. Fulfillment of the potato plans will be very important. Almost all the potatoes have been planted, and we hope that by 31 December they will all have been planted. We hope yields per caballeria will be higher. This year we have had potatoes until December, stored at the cold-storage centers. It has been shown that they can be stored up to....[pauses] There is still a little for January. There is still a little bit of potatoes left for January. It has been shown that they can be kept perfectly well at the cold-storage centers.

But the state production will also depend on whether the boniato and yuca planting is done on time. It will depend on the attention given the cabbage, carrots, and potatoes. It will depend above all on the bananas that have been planted, the hundreds of caballerias of bananas planted with the microjet irrigation system, bananas and plantains. It will depend on the discipline with which the fertilizer is applied, potassium and urea. It will depend on the discipline with which the techniques are applied, how the famous staggering [escalera] works, since you cannot let all the shoots grow. The yields at the state enterprises will depend a lot on the discipline with which the techniques are applied to the bananas, because those caballerias have been planted.

So it will depend on you, the small farmers, and I do not have the least doubt that the CPA are going to meet their plans. It will depend a lot on how the production of the individual farmers goes. They should produce 2.4 million [quintals]. It will depend on how we continue to work with them, the work of persuasion with them, raising consciousness among those individual farmers. If those promises are kept, and good work is done on the state land, we should not be far from 14 million quintals of tubers and vegetables in 1993, as long as the weather is more or less normal.

I say more or less normal because there was no hurricane this year, but there were some very heavy rainstorms. It was lucky we had put in some canals in the area around Melena. We are putting in canals in different places around Melena. We are putting in canals. Right here in this area, a canal must be put in. I do not know how the work is going right now. We must do this, because those excessively heavy rains also affect the fields. They are putting in canals around Batabano. They are putting in, or should put in, some canals around now in Alquizar, since the South Dike has made the water table rise. It is necessary to drain that area. They have had some problems with fuel, but the people from the National Institute for Water Resources have to start them, and I hope they will start soon, right, [Candido] Palmero? They should start to put in those canals there to protect some tens of caballerias of bananas and other crops.

This year was more or less normal, but with some above-average rainstorms which affected squash and other crops. We must keep in mind that excessive rain affected production this year, but in spite of everything, we reached 11 million [quintals]. It may be a little more than 11 million; 11.1 million or 11.2 million quintals. If next year is like this one as far as nature goes, if there are no hurricanes—that is the only thing that can change this production level—if everything is normal and we have the minimum amount of fuel needed, etc., production should not be far from 14 million quintals.

If we keep to this work plan, which I think is well prepared and well thought-out, its goals should be reached, just as we are already getting results from what we have done. There are more than 100 caballerias of bananas growing, and they will come into production. We still have a few caballerias of bananas to plant, but we cannot count on that for 1993. We must count on it for 1994. How much more plantains are still to be planted, in all? There are 123 [caballerias]. So there are 156 caballerias that will come into production. We will finish what is left in 1993, right? What is left to plant in bananas. But there is time, right? We have a few months. We must work with perseverance and tenacity. So [words indistinct] thinking not only of 1993 but also of 1994.

I hope that you are very pleased to have been awarded this banner. It is a very great honor, and very greatly deserved

for having reached 400,000 quintals. You have set an Olympic record in the production of tubers and vegetables. I do not have the slightest doubt that next year you will break this record. How are the other things going? How are you in caring for the harvest? I imagine that you are well organized, that you also have your weapons to defend the harvest here, right? Good. Defense is also organized here. I imagine that many of you are members of the Territorial Troops Militia, right? I see you also have young people here. Do you or do you not? Are you able to bring young people into the cooperative or not?

Well, then, how do you feel today? Good. Are you very pleased about the 400,000 quintals? My visit is not important at all. This is my job, to go around, see how things are going, and especially not be absent when historic events like this occur. It is really a historic event for a cooperative with 70 caballerias of land, which are not all in production, to reach 400,000 quintals. I have no doubt that we will reach 500,000 quintals next year. You deserve the greatest recognition and the warmest congratulations for this. This is how we must work. This is how the Revolution is made. This is how the nation is built. This is how we fulfill our glorious slogan of socialism or death, fatherland or death, we will win! [applause]

Castro Welcomes Indian Donation

FL2912150092 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0300 GMT 29 Dec 92

[Speech by Cuban President Fidel Castro at the ceremony to welcome a ship with donations from India, at Havana Port on 29 December—recorded]

[Text] [Castro] Dear friends (Songit), (Baavi), Singh, members of the delegation from India; Distinguished representatives of the Indian Government; Comrades:

In the last few weeks, apart from the list [Sergio] Corrieri mentioned, or as part of the list he mentioned, I have come to these docks three times. First, on the occasion of the arrival of the ship Pinar del Rio. Second, two days ago, the ship Bahia de Cardenas arrived. The first one brought the Pastors for Peace donation from the United States. The second brought a donation from Spain. Today the arrival of this ship had been announced. Its name is in English, but I think it means Caribbean Princess [Princesa del Caribe] in Spanish. I spoke with the captain, because we had leased this ship, we managed it, and we could change its name from Caribbean Princess to Princesa del Caribe, which it has earned once more by bringing this cargo.

These are truly important events. Each of these ships expresses feelings of sympathy and solidarity for the Cuban Revolution and our people. On 26 December, I said that the arrival of those buses and other goods was something more than symbolic. With much greater reason we should say that this ship, which is bringing 10,105 tons of wheat, is much more than symbolic. So that you may have an idea why, I think that to buy those 10,000 tons of wheat, we would have to harvest and refine sugarcane from more than 100 caballerias. I imagine that to produce this wheat in India they had to plant and harvest around 250 caballerias of wheat. We Cubans know perfectly well what it takes to plant, cultivate, and harvest one caballeria of anything, whether cane, rice, or wheat. We do not produce wheat, but we know the farming effort that has to be made. So you can imagine the number of people who participated in producing these 10,105 tons of wheat.

These 10,105 tons of wheat traveled by train, according to what the delegation explained to me, from Punjab State to (Jai) Port. It was transported by rail along a route 1,700 km long. That is, almost twice the distance from here to Santiago de Cuba, by train. Then it had to be loaded onto the ship. For two weeks, hundreds and hundreds of workers had to participate in loading this ship. Then the ship had to travel for 33 days.... [pauses] 37 days, travel on the Indian Ocean, around the southern tip of Africa, and the Atlantic, almost 20,000 km. They have measured it in miles, and it was about 12,000, did he say? It was 12,300 [words indistinct]? That is, around 20,000 km to reach here.

This wheat comes in sacks. Now we have to unload it and take it to the wheat mills. Now, from 10,105 tons of wheat, one can produce not less than 7,000 tons of wheat flour, plus the bran which is sometimes mixed with the wheat to produce whole wheat bread. With that flour, with that weight of flour, with a certain percentage of bran, one can make about 8,000.... [pauses] One can make about 8 million kg of flour, whole wheat flour. With this flour, one can make 80 million loaves of bread, 80 million 100-gram loaves of bread. So every citizen of this country will get about seven loaves of whole wheat bread from this shipment. [applause]

So it will be enough for the entire country, and these figures, these numbers, show—much more clearly than talking about 10,000 tons of wheat—what this donation, this aid to our country, means at this time. Now, we also have to think about where this wheat has come from. It does not come from a grain-exporting country. They produce grain for their own consumption, as a rule, but they are not a major grain exporter. It comes from a Third World country. It comes from a country that, although it is working and making efforts to develop, is a poor country. It is no dishonor to call a Third World country poor, because that is precisely what marks the Third World countries—poverty.

It comes from a country that has problems, that has needs, as do all Third World countries, as do all countries struggling to develop, as do all countries that were formerly colonies and are today struggling to maintain their independence. So it has very great merit that this wheat has come precisely from India. India is a nation of approximately 7 million square km, between 6 and 7 million square km. Is that right? They measure it in miles. How many miles? In square km? He says 8.25 million square km. However, it has a population of 816 million. So it has more than 100 inhabitants per square km, but it has large mountainous areas. One would now have to calculate how much arable land India has.

We are not very far short of 100 km.... [pauses] of 100 inhabitants per square km, but we have to use a large part of our land, our best land, to produce sugar for export. Then we also have a small amount of land per capita for producing other kinds of food. So the fact that the Indian people have sent us this donation of wheat has very great merit for us. India is a country with an age-old culture. When in Europe they were still walking around in loincloths, and no one knew how to read or write, India already had highly developed writing and culture. It is one of the countries with the most ancient and richest traditions. It is a country with a history full of wisdom.

It is a country which has suffered, like a large part of the world, from the scourge of colonialism, since those Europeans arrived when they had developed superior technology—not superior intelligence—when they had developed armies that had more modern weapons, and they conquered that gigantic country. They conquered all of it. They colonized it during a lengthy period of time until, in relatively recent times, it was finally able to obtain its independence.

How much has that nation had to suffer as a result of colonialism? As much as other great nations, like China, had to suffer, as entire continents like Asia and Africa, entire continents like a large part of Asia and all of Africa, and like a large part, if not all, of the so-called Western Hemisphere had to suffer. They know very well what colonialism is. They know very well what underdevelopment is. They know very well what poverty is. They know very well what the value of independence is.

Now, so that you can see what an unequal world we live in, that country with 816 million inhabitants is not a permanent member of the Security Council. It receives the same treatment in the United Nations as any country with 100,000 or 200,000 or 1 million inhabitants. The population of India is approximately 80 times larger than Cuba's. It has almost 80 times Cuba's surface area. In spite of this, India's rights in the United Nations are exactly the same as Cuba's.

It is not that we advocate unequal rights in international organizations. We advocate equal rights in international organizations. This is reasonable; it cannot be otherwise. However, some countries have reserved for themselves the privilege of being permanent members of the Security Council, and most of them have much fewer inhabitants than India. This is why we have brought up the need to democratize the United Nations. We have brought up the need to change the structure of the United Nations, which currently through the Security Council, is controlled by a very small handful of countries that have control over that Security Council and have control over UN decisions through their veto right.

India is a prominent and outstanding member of the Nonaligned Movement. It was a founder of that movement and has great international prestige. That is why, for us, this attitude on the part of the Indian nation, a nation of 816 million inhabitants—I repeat—has such great moral value and importance. Of course, our own nation must make the primary effort in all spheres. Our own nation must make the primary effort in food production and solving our problems. Our own nation must make the primary effort in defending our ideas and independence. If we are attacked, it must be our own nation that defends from these heroic trenches our Revolution and independence down to our last breath. [applause]

It is true that our difficulties are very great, because the disappearance of the socialist bloc and the Soviet Union took place very abruptly. Rather than in a matter of years, we could say it took place in a matter of months. These were countries with which we had 85 percent of our trade, countries—especially the USSR—from which we had an assured supply of the fuel, food, and essential raw materials we needed, and fair prices for our exports. Their ships helped to transport our country's export goods and a large part of our country's imports. Today we have to do this on our own ships, our own fleet, and on a certain number of ships which with great difficulty we are able to hire and lease.

To this is added the fact that imperialism is trying to take advantage of this situation in the most crudely opportunistic way to make our people surrender from hunger and disease, by intensifying the criminal economic embargo, by making it as tight as possible to hinder everything, to hinder our purchasing food, raw materials, medicine, and fuel, to hinder the transportation of all these products to our country, and to hinder our obtaining hard currency with which to pay for these goods. The prices of these goods are rising, and we must pay for them with income from exports whose prices have dropped.

These are the hard trials history and life have imposed on our country. This is why the effort, struggle, and sacrifices depend primarily, as I said, on us. However, this does not keep us from being infinitely grateful for solidarity, because solidarity gives encouragement. It is an incentive to struggle. It is a tremendous moral force. It constantly reminds us that our nation is not alone in this struggle; that our nation is upholding a just, dignified, and heroic flag; that our nation is defending values that are of interest to the other nations of the world.

The terrible campaigns imperialism carries out against our country are aimed precisely at weakening this solidarity. They are aimed at preventing ships from coming to our country with aid. They are aimed at preventing the condemnation of the embargo from spreading. They are aimed at preventing a vote in the United Nations against the embargo. They are aimed at presenting a distorted, a grossly distorted, image of our country, the most just country in the world, the most humane revolutionary process in human history. [applause]

Words do not speak for us; rather, actions do. In spite of the gigantic wave of propaganda, you can see how the nations are reacting. You can see how more than 1 million Indians participated in and contributed to this campaign. You can see how hundreds or thousands of workers

participated in shipping and loading this donation. You can see how the feelings of solidarity towards Cuba are developing throughout the world, as if the nations had an instinct for knowing the truth.

The nations know too well the injustice, oppression, and calamities colonialism, neocolonialism, and imperialism led them into. It is as if they had antennas for communicating with us. It is as if they had antennas for finding out what is really happening in our country and what these more than 30 years of heroic struggle against the most powerful empire that has ever existed in human history have meant. [applause]

The nations of the world know how to value and admire this. This obligates us to feel the deepest gratitude. This obligates us to feel eternal gratitude towards all those who support us at this difficult time. Just as we knew how to support others, and we still support them at this difficult time. [applause] As we have said on other occasions, no foreign scholarship student here has lost his scholarship. No Cuban doctor who is providing free internationalist services in other countries of the world has stopped providing those services. It is just that today we are aware that the most important and significant international mission is to defend our banners, defend our Revolution, defend socialism, defend the nation's independence. [applause]

These 10,105 tons of wheat, plus the medicine that is on the way, besides what they mean as much more than symbolic benefits, express other extraordinary benefits. For us they are 10,105 tons of solidarity, 10,105 tons of encouragement, 10,105 tons of moral incentive. [applause] They make us not only more internationalist but also more patriotic, more revolutionary, and more determined to defend our glorious cause. [applause] Thank you, dear brothers from India. Thank you, dear comrades of the delegation. Thank you, representatives of the Indian Government. Thank you in the name of our people. Thank you in the name of our revolution and nation. Socialism or death, fatherland or death, we will win! [applause]

High Voter Turnout Reported in Second Round

PA2912045592 Havana Radio Havana Cuba in Spanish 0000 GMT 29 Dec 92

[Text] The National Electoral Commission has reported that 86.7 percent of voters participated in the second electoral round held on 27 December in Cuba. The elections were held to elect 433 delegates to municipal assemblies of the National Assembly of the People's Government, thus completing the list of 13,965 members.

Official sources have asserted there was a high voter turnout in the first and second electoral rounds, held on 20 and 27 December, respectively. Given the electoral rounds' characteristics as referendums for assessing the Cuban people's acceptance of government policy, observers believe the elections represent an obvious sign of the people's support for the state.

The election of delegates to provincial assemblies and deputies to the National Assembly should be held during the first quarter of 1993, based on an electoral law adopted this year that advocates more direct participation by the population in these posts.

Commentary Questions U.S. Motives in Somalia

FL2812204892 Havana Radio Rebelde Network in Spanish 1155 GMT 28 Dec 92

["Our Opinion" commentary by Orlando Contreras]

[Text] A report datelined Mogadishu—Mogadishu being the occupied capital of Somalia— received in our office this morning says rival warlords Ali Mahdi Mohamed of the United Somali Congress, who is Somalia's interim president, and General Mohamed Farah Aidid, chairman of the United Somali Congress' executive committee, have publicly reconciled. According to the AFP report, they embraced and each made a speech, while the barricades that divided the city into north and south along Mecca Avenue were being lifted.

A gathering of the masses witnessed the public reconciliation of the two groups—those from the north controlled by Ali Mahdi and those from the south under the command of Gen. Farah Aidid—in front of the Assembly building. Symbolically, and apparently also in fact, an end was put to a bloody war that broke out on 17 November 1991 with the drawing of the so-called Green Line separating the city. On top of the drought, and Somalia's acute poverty, this war—in which other, smaller groups also participated—brought about a real famine involving incalculable loss of human life in that underdeveloped country in the Horn of Africa.

On the basis of these facts, the UN Security Council authorized intervention by a force of close to 40,000 armed troops charged with ensuring that food would get to the population in danger of dying of hunger. In practice, some 80 percent of these "multinational" troops consist of U.S. soldiers under U.S. command. The cost of this deployment is far greater than that of all the food aid. Aircraft carriers, tanks, and other armored vehicles, the most modern U.S. Air Force planes, as well as elite airborne and landing forces, are participating in this operation. This disproportion between the forces being used and the nationality of the majority of these troops, and Somalia's extreme and generalized poverty including that of the isolated fighters, leads one to think that this is in fact more a question of an occupation of Somalia with political and strategic objectives than of a humanitarian mission.

In point of fact, the peace agreement reached between the principal rival forces today leaves the U.S. occupation without a reason for existing, since according to official statements it was effected in view of the internal situation that was making it impossible to get supplies to the populace.

The U.S. occupation forces are being deployed into the interior of Somalia, and there have been reports of a

certain number of Somali killed in engagements that are not at all clearcut. In fact, Somalia is in urgent need of medical, health-care, and nutritional aid; and then economic and financial aid to rebuild the country under a central authority chosen by the Somalis themselves.

The images that have been shown the world by the television networks on the scene in Mogadishu are those of children, women, and the elderly in a state of extreme starvation, on the verge of dropping dead from lack of food. In such an extreme condition, food cannot be administered directly; rather, it must be administered intravenously, and in order to do that, qualified health-care personnel are needed. It is therefore not with Marines and tanks that such a task can be carried out.

If they are really there in response to a humanitarian policy and not to a policy of strategic occupation, the U.S. forces of occupation in Somalia should substitute medical and health care personnel for the bulk of those combat forces, in a quick operation that will prevent the Somali population from continuing to die of hunger. Anything else constitutes military intervention for political purposes.

U.S. Pro-Cuba Group Notes 'Positive Changes'

PA2512154592 Havana Radio Havana Cuba in Spanish 1300 GMT 25 Dec 92

[Text] Andres Gomez, national coordinator of the Antonio Maceo Brigade, a U.S.-based organization that strives to end the U.S. Government hostility against Cuba, said in Havana that positive changes in the political mentality of the Cuban community in the United States have been observed in the past few years.

Gomez, who is also the director of ARETES magazine, attributed these changes to the social composition of those who emigrated from Cuba in 1980. These emigrants are different from those who did so in the 1960's. Gomez said the latter were directly linked to the Cuban bourgeoisie, who depended on and were controlled by the United States. He said the organization is preparing demonstrations to be held in February in front of the White House and the Capitol in Washington to demand from the new U.S. Government an end to the U.S. policy of aggression in Cuba.

Moa Municipal PCC Plenum Held

FL2812205792 Havana Radio Rebelde Network in Spanish 1155 GMT 28 Dec 92

[Text] Comrade Alexis Mejias Jomarron, who is a member of the Central Committee of the Communist Party of Cuba [PCC] and PCC first secretary in Moa, upon closing the Moa Municipal Committee's latest plenum, said: We are fully convinced we are going to be able to struggle, resist, and win.

A report from Comrade Mayra Hernandez states that the tuber production plan [words indistinct] a principal task; and that the continuity and prospects of the food program constitute the main topic of the party meeting. Regarding this, Mejias said that guaranteeing the population's food is everyone's primary and most important task.

Nickel, one of the nation's important economic products, was also discussed. Nickel activity was another of the subjects discussed at the Moa Municipal PCC Committee plenum. Comrade (Claudio Otero), director of the Nickel Workers Union, said that the nickel entities belonging to the union have been intensifying their efforts and finding ways to achieve better and higher production in 1993, which is going to contribute a considerable amount of hard currency.

Lastly, he said that the next stage of food program work, the cane harvesting brigades, and preparations for the coffee harvest are all tasks discussed at the plenum, at a time when the main municipal ceremony honoring the 34th anniversary of the triumph of the Revolution is going to be held here in Moa today.

Granma PCC Plenum Evaluates 1992 Efforts, Results

FL2812175792 Havana Radio Rebelde Network in Spanish 1000 GMT 28 Dec 92

[Text] The plenum of the provincial committee of the Communist Party of Cuba [PCC] in Granma Province described as extraordinary the effort made and the results obtained by the population of Granma Province in 1992 amidst the difficulties caused by the special period. Alfredo Enriquez, PCC first secretary in Granma Province, said that upon assessing the past 12 months, one notes that the masses' ability to come up with the most unexpected solutions to each and every problem, however difficult, has been admirable.

Enriquez, who is also a Central Committee member, said that during the period in question, Granma Province received 60 percent fewer resources than in 1990; nevertheless, production dropped by only approximately 25 percent. Furthermore, the infant mortality rate dropped by one whole point per 1,000 live births, the number of Family Doctor Program offices increased, and new techniques and specialties were introduced at the province's hospital centers in 1992.

FAR Observes Eastern Army End-of-Year Maneuver

FL2612000992 Havana Cuba Vision Network in Spanish 2320 GMT 25 Dec 92

[Text] We are reporting from a training range on the conduct of a maneuver as part of the Ministry of the Revolutionary Armed Forces inspection of the Eastern Army. The combat ability of the tank unit, which acted with the support of the motorized infantry and rocket artillery, became clear when they resolved successive dynamic exercises which included the annihilation of an airborne invasion and the conduct of raids and ambushes. Their skills in fighting under any weather conditions, as

well as their firepower, shown during firing with war-caliber ammunition, were outstanding, as was their knowledge of the theater of military operations. A singular coordinated maneuver with 100-mm gun salvos, rockets, infantry weapons, and tactical operations concluded an intensive year of defense training in this unit.

Fernandez Stresses Continued Growth of Solidarity

FL2912134092 Havana Radio Rebelde Network in Spanish 0000 GMT 29 Dec 92

[Interview with Jose Ramon Fernandez, vice president of the Council of Ministers, by Mario Huber Garrido; place not given—live]

[Text] [Huber] Today we are talking with Jose Ramon Fernandez, the vice president of the Council of Ministers, regarding the issue of solidarity. Contrary to those who affirm that Cuba has become isolated, many peoples throughout the world have made gestures of solidarity, aid, and support toward the Cuban Revolution. I wanted to ask you: How has this solidarity fared during 1992?

[Fernandez] The expressions of friendship with Cuba by the solidarity groups—contributions, donations, and material help—have been growing and are becoming increasingly larger. We see with [words indistinct] how all these groups are cooperating with Cuba, are constantly sending messages, are disseminating information, and criticize and reject all those measures—as has happened with the Torricelli Law—which have been unfairly implemented by the empire against Cuba.

We regard this help....[pauses] this solidarity very highly. The material help is also highly significant because, it has to be said, in most cases it is in small or symbolic amounts, but there are many occasions when this help—such as what has just arrived from Puerto Real, with Mayor Barroso, and what arrived three months ago with Mayor Barroso, or the donations coming from India and other countries—has an impact on our economy and needs. I would say that in practically every case, the aid sent and being sent is useful in terms of food, medicine, transportation equipment, and other goods such as spare parts, etc., which nowadays are scarce in Cuba as a result of the special period.

I believe that the Cuban people should feel pleased with the solidarity the peoples of the world are demonstrating toward Cuba.

[Huber] Do you expect this solidarity to continue during 1993?

[Fernandez] We hope that this solidarity will continue to grow. We have to keep in mind that the men and women who support us do so for several reasons. First of all, because Cuba—a small and poor country—has been able to confront the empire, defend its sovereignty, defend its right to select the social system it wants, defend its integrity, and combat imperialist measures for over 30 years with results, successes, and victories against all the enemy's attempts to destroy us. On the other hand, others have ties with us, have a political affinity with us; they see the rightness of our cause. Others have other reasons. I do not doubt that some help us as a way to reject the empire. I expect that during 1993, this solidarity and cooperation will continue to grow.

Workers in Russia Confirm Support for Revolution

FL2812023892 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 28 Dec 92

[Text] Cuban students and workers in Russia confirmed their loyalty to socialism and Fidel today in the main ceremony held to mark the 34th anniversary of the triumph of the Cuban Revolution. In Moscow, about 150 people confirmed their support for the line of development adopted by the Cuban Government at a time that is critical but never lacking in solidarity. Similar activities took place in other cities of the former Soviet Union, where dozens of Cubans said yes to the Revolution, the defense of its history, and President Fidel Castro.

Minaz Performance in Las Tunas Province Noted

FL2612155092 Havana Radio Rebelde Network in Spanish 1000 GMT 26 92

[Text] The ninth plenum of the Las Tunas Provincial Committee of the Communist Party of Cuba has resolved to congratulate province workers for the work done by the Minaz [Ministry of the Sugar Industry]. It was reported at the plenum that in Las Tunas Province, the Minaz produced over 400,000 quintals of agricultural products in its self-sufficiency plots, which it used to supply dining halls and 100,000 workers and their relatives. Close to 300 housing units for sugar industry workers were also built, and over 2,500 buildings repaired. Other accomplishments are the fulfillment of the sugar plan for the "Little Harvest" at the Peru refinery, the first to begin the grinding process in Las Tunas Province, and the fact that Las Tunas won first place in agroindustrial construction and production of cane by-products. Las Tunas Province also fulfilled the cold season cane-planting plan, exceeding 1,245 caballerias.

Alfredo Jordan, a member of the Politburo and first secretary of the Las Tunas Provincial Committee, called for increasing agroindustrial efficiency and for moving forward in cane recovery.

Commentary on Growth of Tourism Industry

PA2712043992 Havana Radio Havana Cuba in Spanish 0000 GMT 27 Dec 92

[Roberto Morejon commentary]

[Text] The year is drawing to an end and it has become evident that despite U.S. campaigns everywhere, the Cuban revolution has not only resisted but has made progress in important sectors in spite of what is being described as a double blockade.

These days no one doubts that tourism is one of Cuba's essential sectors. Its importance will be even greater in the future.

Rafael Sed Perez, president of the Cuban Tourism Institute, said recently that 1992 has been a good year for tourism on the island. He supported his statement by reporting that from January to October, approximately 400,000 tourists visited the Caribbean archipelago. That represents a 33-percent increase over the previous year.

Tourism-derived income for the first 10 months of the year was 32 percent above the figure for the first 10 months of 1991. Tourism, which is perhaps the most dynamic sector of our economy, is about to surpass the pleasing showing of 1992.

In a few days, 4,000 rooms will be available. Some of those rooms are brand new, the others are remodeled. That means there will be 20,000 rooms for foreign visitors in 1993.

Experts expect that the current 41-percent hotel occupancy rate will increase significantly in 1993.

Bahamas

Police Advised Heroin Production 'Escalating'

FL2412234792 Bridgetown CANA in English 1714 GMT 24 Dec 92

[Text] Nassau, Bahamas, Dec 24, CANA—The Bahamas' commissioner of police, Bernard Bonamy, has advised his senior officers to be on the look out for heroin trafficking.

Bonamy said that although there has been a decline in drug seizures over the past five years, production of heroin in the region is escalating.

He was also concerned that the number of sexual offences appear to be on the rise in the Bahamas.

"If the trend continues, 1992 could well be the year in which one sees a phenomenal growth in sexual offences," he said.

On the drug problem, Bonamy said that the movement of the illicit substance throughout the country is a serious matter.

"We must therefore be relentless in our attacks on base (cocaine) houses," he said.

He credited the Bahamas' success in the drug war to the cooperation it has received from the United States' Drug Enforcement Administration (DEA) and Federal Bureau of Investigation (FBI).

There is no other country in the world where there is such a network, he said.

Barbados

Unemployment Figures Reach 15-Year High

FL2612181492 Bridgetown CANA in English 1455 GMT 26 Dec 92

[Text] Bridgetown, Barbados, Dec 26, CANA—Unemployment in Barbados stood at 23.1 percent in September, the highest level in 15 years, reflecting the impact of a three-year downturn in the economy and drastic cost-cutting by the government under an International Monetary Fund (IMF) stabilization programme.

According to a statement from the Ministry of Finance and Economic Affairs, the 1992 third quarter jobless rate—based on the findings of a continuous household sample survey—was 5.4 percent above that of the same quarter in 1992.

The 23.1 percent umemployment rate meant 28,600 Barbadians were not working at the end of September, out of a total workforce of 120,200. At the end of September 1991, 21,300 Barbadians were out of work.

Since October 1991, about 3,000 public sector workers have lost their jobs in line with a requirement of the stabilization programme that the government's fiscal deficit be reduced to 1 percent of Gross Domestic Product (GDP). Some private sector companies, in response to a slowdown in business, have also laid off workers.

According to the government statement, persons in the 15-34 age group are the hardest hit by unemployment, accounting for 70.3 percent or 20,100 out of the 28,600 jobless persons.

Unemployment among males was put at 20 percent at the end of September and at 26.5 percent among females.

Central Bank unemployment figures date from 1976 and the highest level since then, excluding the September 1992 figure, was 20 percent at the end of December 1991. The lowest was 11.2 percent, recorded at the end of December 1981.

Dominica

Legal Battle Threatened To Protect Banana Industry

FL2412233892 Bridgetown CANA in English 1346 GMT 24 Dec 92

[Text] Roseau, Dominica, Dec 24, CANA—Dominica's opposition leader, Edison James, is not ruling out taking the European Community to court as a last resort, to ensure continued protection for Caribbean bananas on the European market.

James, who went to Europe with St. Lucia Labour Party leader Julian Hunte and Vincentian Ralph Gonsalves of the Movement for National Unity to lobby for a good deal for the islands, said:

"It is our view that the measures put in place by the European Council of Ministers do not satisfy the commitments to the ACP (African, Caribbean and Pacific) countries under the Lome convention. "Whereas the measures offer some protection to our banana industry, there is the distinct possibility that the U.S. multi-nationals operating in Latin America can still find ways to get around the tariff measures and negatively affect the price of Windward Islands bananas on our traditional market," he told the Caribbean News Agency.

The opposition leader was asked about the possibility of Windward governments challenging the new banana regime in the courts, given the undertaking of the Europeans legally through Lome to afford ACP bananas continued protection.

James believes that priority should go to further lobbying but said he does not rule out a legal battle to protect Caribbean bananas.

"I think we should watch and see what is happening. The Latins are talking about going to court, because of aspects of GATT which they think have been breached," he said.

"I think we do have that final course open to us, and I think we would have to examine it closely—all the ramifications—and see how the issue develops to determine whether we proceed along those lines."

Dominica Prime Minister Dame Eugenia Charles, who is not too optimistic about the new banana regime arrived at by the EC ministers of agriculture, has hinted at the possibility of court action eventually becoming necessary to deal with the banana issue in a manner favourable to the Windward Islands.

Dominican Republic

Public Prosecutor Appeals Ruling on Drug Case

FL2412204992 Santo Domingo Radio Cadena de Noticias in Spanish 1000 GMT 24 Dec 92

[Excerpts] The Santo Domingo public prosecutor has appealed the ruling by which the judge of the Fifth District Court declared inadmissible the request to reopen the case of the 2,200 kg of cocaine confiscated in Boca Chica last year. Dr. Josefina Juan de Pichardo criticized Judge Carlos Augusto Peguero Matos' rejection of further proceedings in connection with the largest cocaine seizure ever made in the Dominican Republic. [passage omitted]

Dr. Juan de Pichardo said Judge Peguero Matos reached his decision too hastily without even studying the file. [passage omitted]

Haiti

Bazin Authority To Call for Negotiations Questioned

FL2812162892 Port-au-Prince Radio Metropole in French 1145 GMT 28 Dec 92

[Text] According to the Haitian Press Agency [AHP], Father Antoine Adrien, coordinator of the commission appointed by Father Aristide, stated after the prime minister's proposal that the latter has no authority to launch any call for negotiations. He went on to say that Marc Bazin promised a peace plan a month ago and that his promises have never been followed up. In Father Adrien's opinion, in view of several political parties' assessment of the failure of his six months in power and in view of the international community's demands for an urgent solution to the Haitian crisis, Bazin is a smart aleck. We were quoting from AHP, which reported statements made by Father Antoine Adrien, coordinator of the presidential commission appointed by ousted President Jean-Bertrand Aristide.

Peasant Organizations Answer Opposition Senators

FL2812212892 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 28 Dec 92

[Excerpt] In reply to the 13 senators who signed the 23 December proclamation, two peasant associations in Plateau Central advise that, although they are not defending the government, they must acknowledge when the government does something good for the people. The two organizations, opposed to any idea of resignation by the current government, have asked the 13 senators several questions on what they have done since the beginning of the political crisis in the country, why they do not criticize themselves for the budget of the 1992-93 fiscal year that has never been voted on, why they do not do all they can to have the embargo on Haiti lifted, why all those parliamentarians do not sit down together to determine how the country's economy could be improveed, and many other questions.

The two Plateau Central peasant associations consider the 13 senators who signed the 13 December proclamation a group of parliamentarians wishing to remain in the Senate to stall for time instead of helping the country out of its situation. They describe that proclamation as a maneuver by those senators to prevent the elections, contrary to the executive's vision.

This note is a reply by two peasant associations in Plateau Central to the 13 senators who signed a proclamation on 23 December demanding the resignation of the current government and the office of the Senate of the Republic. [passage omitted]

Council Notifies Populace of Election Process

FL2812161092 Port-au-Prince Radio Metropole in French 1145 GMT 28 Dec 92

[Text] The Electoral Council advises the population in general, especially the interested sectors, that steps have been taken to hold partial senatorial elections as soon as possible. A draft budget covering all operations was presented to the executive on 23 December. The presidents of the Departmental Electoral Offices [BED] have been installed. The Communal Electoral Councils [BEC] are being installed. The Electoral Council has promised to announce its electoral calendar as soon as the budget problems have been resolved.

Schedules Elections for 18, 25 Jan

FL2912142592 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 29 Dec 92

[Text] The most important point in the national news today is that the office of the Permanent Electoral Council [CEP] has published the calendar of electoral activities to renew one-third of the Senate of the Republic and to replace the Southeast senator who died.

According to this calendar, the elections are to begin on 18 January. The elections for the renewal of one-third of the Senate of the Republic and the replacement of deceased Senator Alberto Joseph will be held on 18 January. The candidates will start their [electoral] campaigns on 3 January, after they put themselves forward as candidates no later than 5 January. Beginning on 30 December, those wishing to run in the senatorial elections to be held on 18 January may go to the Departmental Electoral Offices to register as candidates. On 9 January, the CEP will publish the list of candidates accepted for participation in the 18 January elections.

The CEP plans to hold the second round of elections on 25 January. The calendar does not say when the CEP will hold elections to replace the parliamentarians and mayors who died during the previous years [as heard].

Installs Southeast BED Members

FL2812215892 Port-au-Prince Radio Metropole in French 1145 GMT 28 Dec 92

[Report by Jacmel correspondent Pierre Nazon Beauliere]

[Text] Mr. (Saint-Phard Line Balthazar), president of the newly formed Permanent Electoral Council [CEP] installed the three members of the Departmental Electoral Office [BED] of the Department of the Southeast on 24 December. The ceremony took place in the conference room of the La Jacmelienne Hotel in the presence of the civil and military authorities in Jacmel. The members of the BED are Frantz Phinton, president; Louis Ducles, vice-president; and Borde Veillard. These three men will be responsible for the holding of elections for renewal of one-third of the Senate of the Republic. Alberto Joseph, the second senator from the Southeast who died, will also be replaced in these same elections. In his speech, new CEP President (Balthazar) did not specify the name of this CEP. He said, however, that these BED structures will handle elections for senators, deputies, and mayors.

After this ceremony, the deputy of the first district of Jacmel, agronomist Joseph Lambert, met with journalists and said this installation falls within constitutional logic and an administrative framework as provided for in the 16 December 1990 electoral law. Deputy Lambert provided explanations on the duration of this CEP.

[Begin Lambert recording] We say that this electoral council is permanent in principle, but it has exceptional character in the fact that the three members chosen by the legislative power have not yet been ratified in national assembly, as provided for by the Constitution. In my opinion, during this period—as long as these members have not yet been ratified by the national assembly as provided for by the Constitution—they have a temporary mandate valid only through the holding of elections. [end recording]

This is to also advise you that other Communal Electoral Offices [BEC's] in the area of Marigot and Cayes-Jacmel were installed on 27 December. You will recall that (Frantz Phinton), the new president of the Southeast BED, held the post of mayor in Cayes-Jacmel under the CNG, National Council of Government, which was headed by General Henry Namphy. (Phinton) is currently the secretary general of the Southeast delegation.

Trinidad and Tobago

Manning Promises 'Comprehensive' Action Plan

FL2612182092 Bridgetown CANA in English 1525 GMT 26 Dec 92

[Text] Port of Spain, Trinidad, Dec 26, CANA—Trinidad and Tobago Prime Minister Patrick Manning has announced that his government will present a comprehensive action plan at the next session of Parliament.

Delivering a Christmas message on state television, Manning said the government was confident that the people would find good cause for hope and an "enhanced sense of possibility."

"And hope, after all, is what Christmas is about," Manning said.

The prime minister said after a year in office, his government had been laying a base and building foundations.

He said this might not bring Utopia "but laying the foundations for a far more secure future for our people than might initially have been imagined."

Manning said he believed that the government could say with justification that it had "run the race which was set" undaunted by the obstacles, which he said had been placed to divert them from their goals.

Manning defended his countrymen's penchant for the good life. "We are quick to label our fellow citizens as being lazy; we criticise them because they do not save their money and we deliberately misinterpret their love of life, regarding it as an inability to be serious. And we act upon them, we forever impose limitations of growth upon people from which they can never escape.

"I am here tonight to salute the people of Trinidad and Tobago. The salute has to do with the fact that economic disadvantage does not necessarily mean lowness of the spirit.

"We as a governemnt would hardly be able to make the kind of plans and to forge new directions if we were not confident that our people are as wonderful and as special as the Christmas miracle.

"Neither slavery nor indentureship, nor colonialism nor things present have ever been able to defeat us...It is this fact of doing your best which encourages us in the government to go forward. It is your strength, your vitality, your talents and the tenacity of your hold on life which assure us that our cause shall not fail."

Manning said his Christmas gift to the country was hope.

Newspaper Supports Mulroney Proposal on Haiti

FL2812155292 Bridgetown CANA in English 1453 GMT 28 Dec 92

[Text] Port of Spain, Trinidad, Dec 28, CANA—Following is the text of the editorial in Monday's [28 December] TRINIDAD GUARDIAN newspaper:

"While the mass starvation in Somalia and the genocidal violence in Yugoslavia capture the headlines and the sympathy of the world, within our own region the tragedy of Haiti has become a nightmarish outrage that demands more decisive international action, yet it seems to be fading from the international agenda.

"That is why the call being made by Brian Mulroney, Canada's prime minister, for an international naval blockade around Haiti to bring down the repressive military regime is a most welcome one. When Jean-Bertrand Aristide, the country's first democratically elected president was ousted in September last year, there followed a chorus of vehement condemnation by nations of the hemisphere and a flurry of negotiations aimed at restoring Haiti's new-born democracy.

"At one point, there was even talk of mounting a military operation among countries of the Organization of American States to remove the illegal regime in Haiti and restore the Aristide government to office.

"But that initiative was never taken up although negotiations with the people who seized power in Haiti finally fell through. Eventually, reaction to the coup in Haiti and the bloody repression which followed boiled down to dealing with the plight of Haitian "boat people" who fled the country by the thousands, seeking safety and a better life in the United States and elsewhere.

"Now we are hearing that the situation in Haiti has deteriorated to a state of lawlessness and terror that makes the regime of Papa Doc Duvalier look almost respectable.

"The reports received by a delegation sent by the World Council of Churches and the Caribbean Conference of Churches are terrifying indeed. The team, which spent six days in that troubled country last month on invitation from Haitian church leaders, heard that some 3,000 persons have been summarily executed since the military took over.

"Another 4,500 have been illegally detained, while 2,000 others have been wounded by gunfire or beaten. In addition, there have been more than 2,000 cases of illegal raids on homes.

"The visiting delegation also learned that an estimated 40,000 "boat people" have fled the country in the past 14 months, at least 2,000 of whom have perished at sea.

"One feels a peculiar kind of grief for the lot of Haitians, belonging to the poorest country in the hemisphere and, as if bewitched by some voodoo spell, seemingly destined to be ruled by vicious and repressive regimes.

"But is this the true destiny of Haiti, must the country continue to exist in this twilight zone of poverty, fear, terror and oppression? Will democracy be given an even chance?

"We think the horror that has now descended on Haiti should move international organisations to a new and more decisive initiative against the criminal usurpers in power. In this respect, we expect that the call by Mulroney for a comprehensive naval blockade to bring down the military dictatorship would win the necessary support.

"While such action would also impose even greater hardship on the Haitian people, they may be well prepared to accept it if the initiative would ensure the removal of their oppressors and bring an end to the reign of terror.

"Apart from Canada, Mulroney wants the United States, which is now sending troops to help Somalia, France and Venezuela to get involved. The action should also obtain the full support of the OAS and the United Nations Security Council. It is our view that Mulroney's frustration should be keenly shared by Caricom leaders who should also add their voice to his call.

"It is no longer enough for the international community to simply bemoan the situation in Haiti. The country must be given back the hope and freedom of democracy."

Honduras

Callejas Evaluates Administration, Previews 1993

PA2912024592 Tegucigalpa Telesistema Hondureno Television Network in Spanish 0300 GMT 28 Dec 92

["Exclusive" interview with President Rafael Leonardo Callejas by Giovanni Garcia on 27 December; place not given—recorded]

[Text] [Garcia] Good evening, viewers, thank you for joining us tonight. We are now with President Rafael Leonardo Callejas to discuss issues of national interest related to what his administration has accomplished this year as well as prospects for 1993. Good evening, Mr. President.

[Callejas] Good evening.

[Garcia] Several groups have raised numerous questions about your economic model, or better yet, the economic model that has been implemented by your administration. That same model has been praised by other sectors. How would you evaluate your administration's performance over the past three years, especially now that there is only one year remaining in your administration?

[Callejas] I will divide my answer into three parts: First, the reorganization of public finances and the improvement of the country's productive capability. The debate taking place in Honduran society deals mostly with microeconomic issues; that is, problems consumers are facing in the short term, which are quite valid. In that respect I have no complaints. As a society, however, we must not lose sight of what we are really seeking. The problem is not just knowing what the effect on the average citizen is today, but what the permanent effect on society will be as well as on future expectations. Despite all the problems that I admit we have in national sectors, the fact remains that the macroeconomic program has shown positive results. First, as I said, we have been able to reorganize public finances. That is quite evident in certain projects some sectors prefer to ignore. We have been able to promote real changes in the productive sector. We have also been able to include sectors in our program that previously did not receive any coverage whatsoever. In my opinion, probably what is more decisive is the fact that I was able to send a message to the Honduran citizens that during my administration we have been able to create at least 100,000 new jobs in Tegucigalpa and San Pedro Sula alone. In three years, 100,000 new jobs! The figures are recorded at the Honduran Social Security Institute [IHSS]. We have also been able to increase health and social security coverage from 600,000 to 1 million. In other words, we have almost been able to double social security coverage during the past three years of my administration. These are tangible steps taken in the social field.

My administration has also been able to increase the payrolls of companies that make transfer payments to the National Institute of Professional Training [INFOP] by 220 percent. The minimum wage has been raised from 6.90 to 15.70 lempiras. These are very specific steps that could only have been achieved through a dynamic and growing economy. I am referring to structural growth now, not growth by chance or circumstances. There is a real increase in domestic growth when coffee prices go up or when fuel prices go down. But that type of growth is short-lived. The first stage, which was to clean up public finance and allow this type of structural growth, has been accomplished, and it has been done positively.

The second aspect is that price fluctuation has been reduced. At the beginning of my administration, price fluctuation was nearly 100 percent. Basic items such as milk fluctuated from 90 centavos to 1.80 lempiras. Fortunately, that is not the case today. Price fluctuation is at a minimum now. It still happens, but it is stabilized. The fundamental element of a strong and healthy monetary policy is to fight inflation structurally and ensure price stability as much as possible. I compared inflation figures: In 1989, inflation was at 10.5 percent; in 1992 it fell to 6.5 percent.

As you can see there has been real improvement, although I will not deny that the price liberalization plan spurred a dynamic growth rate. There is economic growth and monetary stability, inflation is under control, there has been broad social coverage, we have granted compensation, and we have created jobs. The plan is successful and we must maintain it to provide more and better benefits to the people in a way they can see.

[Garcia] Undoubtedly, Mr. President, the results have been positive in the macroeconomic area. However, some sectors have said that poverty has increased in these three years of economic adjustment, and the gap between rich and poor has broadened. How will this increase—it was said that there has been a 60-percent increase in poverty—be solved? Do you believe those numbers are real and that poverty is, in fact, increasing?

[Callejas] No, those figures are no longer valid. They were real at the beginning of my administration, but they are all decreasing now. One must be very objective. The difference between the absolute poverty of those who have no salary and the rich is infinite. When I took office, Honduras had the second largest concentration of wealth in Latin America, following Brazil; that is, the wealth was concentrated among the smallest number of people. We had surpassed El Salvador. That was 1989, mind you, I am not talking about 1992. That situation already existed. How can we right that wrong? Not by making the rich poorer, but by creating jobs for those who do not have them. I have created 100,000 jobs. That means those who had no job and zero income before—on a formal basis, as they may have had small amounts of informal earnings—now have a job. Of course those with higher incomes saw improvement, but we have created 100,000 jobs in Tegucigalpa and San Pedro Sula alone, which implies a narrowing of that gap.

Let me give you some clearer figures. Income tax has increased 27 percent in real terms during my administration. That means the wealth accumulated by those who file

their tax returns has increased by 27 percent in real terms. Minimum salary has risen by 220 percent, which means it has increased almost 50 percent in real terms. It is true that higher incomes have grown by 27 percent, in general or macroeconomic terms. At the same time, income for those who had almost nothing grew by more than 50 or 60 percent in real terms. The gap has been reduced. That information, then, is not true. The way the information is presented was true in 1990 because of the economic impact, but we have been making corrections in many sectors, and we have actually been narrowing the gap.

[Garcia] Hondurans on the street have been complaining daily about high prices and reduced purchasing power. Will purchasing power be improved next year, Mr. President?

[Callejas] Again, I base my assertions on the macroeconomic concept. The individual has a problem. Not long ago I talked with 11 executives of a large corporation in the country whose true salaries, either in Central American pesos or U.S. dollars, rose from $1800 monthly in 1989 to $3000 in 1992. When I asked them whether their situation was better or worse than before, they answered: We are worse off. I asked them why and they replied: Because now we have to send our children to a university or abroad, but we do not have the money. I asked again: What will happen if you send your sons to the University of Honduras, where you do not have to pay for their education? They replied: That is much better. So everything is relative. I am not saying our country has solved all its problems, but we are better off. Honduras is the second poorest country on the American continent. That situation can be expressed in numbers. You can buy more beans with the current minimum salary than you could with the 1989 salary. That is a fact. It is possible to buy more corn with the current minimum salary than the 1989 salary could buy at that time. But the people do not see this reality because they do not take the time to make the calculations. If you study your basic basket in terms of minimum salary, you will find that the situation of those with minimum salaries has improved. It is a matter of making the right calculations.

[Garcia] Inflation reportedly has been reduced from 34 to 6 percent. That reduction, however, is not noticeable on the street.

[Callejas] Those are the true figures. I am not speculating or speaking subjectively. The figures have been released from the Central Bank and have been in use since 1950. There is no other way to analyze the process. This is what the figures say. When you consider that the price of beans rose in 1991 and dropped in 1992, you must admit that the price of beans has been reduced. These things must be studied carefully. One must come to grips with reality. For instance, what is the price of beans and how much is your minimum salary? Make the comparison between the current price of corn and the minimum salary. Some sectors improved and others did not, it is true. Generally speaking, however, we feel the purchasing power, at least for those sectors with lower incomes, has been improved. I ask you to make the comparison objectively. Do not consider any arbitrary price, however. Compare bean prices in the National Supply Agency for Basic Products with the current minimum salary. Compare bean prices in 1989 with the minimum salary and you will see what happened. Do the calculations. I am sure you have not made the calculation. You have not sat down and calculated the price of beans versus the minimum salary to determine how many pounds of beans can be bought.

Let us consider sugar. In 1989 sugar cost 59 centavos a pound. Currently, the price is 1.09 lempiras. How much did the price of one pound of sugar increase?

[Garcia] Well, the minimum salary was 6.90 lempiras in 1989.

[Callejas] It is now 15.70 lempiras. How much did the minimum salary increase?

[Garcia] More than double.

[Callejas] In increased 250 percent. Consequently, the price of sugar is now higher or lower? Of course, this is not necessarily true regarding other articles. Let us compare the minimum salary with the basic basket. I suggest that the calculation be made. Maybe you will be able to make the calculations for this on the next program. Then it will be possible to determine if the economic program has been positive or not.

[Garcia] Former President Jose Azcona says just the contrary. According to Azcona, the economic program has been almost a complete failure. He also said that in the three years of your administration, there has been no positive, tangible results for the community.

[Callejas] Of course Azcona says that.

[Garcia] Do you think he is right?

[Callejas] I will not even bother to comment on this [words indistinct].

[Garcia] Let us talk about prospects for next year. Will living conditions improve for Hondurans? Will there be more jobs, higher salaries? Will there be price stability, a reduction in the prices? What can the community expect?

[Callejas] As far as the government's role is concerned, the following measures will be taken: First, there will be an increase in the minimum salary, taking into consideration the implications that this will have on salaries across the board. The increase will go into effect in January and will be at least 10 percent. It should be higher, but it will be around that level. Second, there will be price stability so the salary increases will produce tangible benefits. There will be a significant increase in employment. If in these two and one-half years we have generated 100,000 jobs, next year there could be 30,000 to 50,000 new jobs generated in the country in very important areas. Those areas are in industry—not necessarily assembly plants any more—infrastructure, and construction. I think the community will feel that it is better off, with the normal problems that poverty entails, of course. Nevertheless, the community

will feel that its situation has improved. It is estimated that prices for public services will stabilize further, and in some cases corrections will be made to interest rates. Therefore, the community will see general improvement in 1993.

[Garcia] Regarding the tariffs for public services, are there any possibilities of a reduction?

[Callejas] A reduction would be subject to the reviews we have agreed upon with [words indistinct] and the nation's workers; that is, the labor unions. We agreed with those groups to organize commissions to review the tariffs of the ports, of the National Enterprise for Electric Power, and of the Honduran Telephone Company to see if we are below competitive levels for the Honduran productive sector. Some of the reviews can be very swift, such as our visits to the various Central American power companies to compare price levels per kilowatt in Honduras. Other reviews, such as the port tariffs, will take more time. A contract has already been signed to carry out the corresponding investigation. Nevertheless, in the cases where Honduras has higher costs than other Central American nations, and is thereby not competitive, we will make decisions to improve the tariffs.

[Garcia] Now, regarding Central American economic integration, is it definitely going to benefit Honduras? There has even been talk that the companies are not prepared, that the famous industrial conversion has not been implemented. To what extent does that pose a risk of unemployment resulting from companies going bankrupt?

[Callejas] There is no danger of that; we have overcome that stage. I remember when I led the economic reorganization program, everyone used to tell me: The Honduran companies are going to go broke. Not one company went broke, and they are producing large revenues. At that time Mexican President Salinas de Gortari had to accompany me to San Pedro Sula to talk to the businessmen. He told them the same thing I was saying. No one should be concerned about this. A businessman is capable of competing when his products are competitive and if he is given the basic conditions to be competitive: namely, infrastructure, public services, and human resources. Honduras is improving its sales in Central America and more of our products are being purchased. The products we sell are competitive; there are significant exports to Central America. I am certain the integration that formally goes into effect on 1 January will greatly benefit all Central Americans, particularly Hondurans.

[Garcia] What about the impact the European Community's decision has had on the national economy. Can Latin America's relations with these countries deteriorate as a result of those decisions?

[Callejas] In both cases the impact is very serious. If the banana resolution does not change, Latin America—including Honduras, of course—will lose its effective participation in the world market in the next decade. By 2002, the volume of exported banana cases from the Western Hemisphere will be less than the current volume, which will result in unemployment. That will aggravate relations between the European Community and the Western Hemisphere. The first position was already set out when the nations that were supposed to participate in the forum with the European Community withdrew. That was the result of the ongoing illogical conflict over the banana issue.

[Garcia] Have you had any contact with the U.S. president-elect, and what do you see in terms of our country's relationship in the near future with the United States and its new president?

[Callejas] I have had contact with Vice President-elect Gore, who returned a telephone call I made to President-elect Clinton. We are still waiting to see what the U.S. foreign policy will be. There will be no major changes. I am surprised when I hear that there will be a change in economic policy in the United States. That nation decided to go on the free market path in 1776, has stayed on it, and has become the world's largest nation.

There are other aspects we must analyze seriously, and we will be waiting for January, when Clinton's cabinet has been appointed, to see its guidelines and statements. We will maintain the excellent relations we have always had with the United States.

[Garcia] Before ending, I would like to ask you a question on the controversial topic of corruption. Is the government really committed to fighting corruption in our country?

[Callejas] Yes. The problem is that we lack the legal instruments for fighting corruption. Some people think it is funny when I say the Liberal Party has not supported me, but it is true. The constitutional reforms I requested have not been supported by the opposition. I had requested three basic things to continue the fight against corruption. First, I asked for reforms in the judicial system. In my opinion, a simple majority of Congress is not enough to appoint magistrates to the Supreme Court of Justice because it becomes a political court. We must accept that reality and it must be changed. Second, we must guarantee the long term stability of Supreme Court magistrates, which the current system does not do. Third, the rest of society must participate in appointing the Supreme Court magistrates. I proposed the creation of a nominations committee, from which I excluded myself, so society alone can choose the candidates and present them to Congress. Now the nominations come from Congress itself and are approved by a simple majority while the rest of the community is left out. That proposal was not approved, either.

Another aspect lies in the government-controlling agencies. I proposed that the comptroller and the Administrative Integrity Office be merged so there could be more effective participation by the private sector.

I also asked that the form of the criminal process itself be changed. The community and the state should consider government officials accused of corruption as guilty. The official must then prove his innocence, not the other way around.

None of these things have been possible, and that fact will surely affect the fight against corruption during this administration, the next administration, and all those to follow until the constitutional reforms, which were not made during my term in office, are finally made.

[Garcia] To conclude, Mr. President, what is your message to the Honduran people as 1992 comes to a close?

[Callejas] One of optimism. The year 1993 will be a good one economically and socially. It will be a political year, which will give Honduran society a chance to participate in an intense debate. We will be entering a new phase of the Central American integration process, and I see a good 1993 ahead.

[Garcia] Thank you. You have been listening to President Rafael Leonardo Callejas in an exclusive interview by Telesistema Hondureno Television.

Nicaragua

Finance Ministry Discloses Defense, EPS Expenses

PA2412193092 Managua Radio Catolica in Spanish 1100 GMT 24 Dec 92

[Text] The Finance Ministry has had no choice but to submit a report on the expenses incurred by the Defense Ministry and the Sandinist People's Army [EPS], as revealed by the accounts in U.S. dollars which the Central Bank has assigned to these two institutions.

According to a report presented by Minister Pereira, the Defense Ministry and the Army received approximately $4.13 million, equal to more than 20 million cordobas, in 1992. The Army reports that the money was used by the sea and air arms to buy, among other things, medical supplies, food, transportation equipment, clothing and footwear, freight, office supplies, and so on. Our attention was called to the fact that in footwear only the EPS spent more than $300,000 abroad, although sufficient footwear manufacturing plants exist in Nicaragua. In addition, more than $1 million, or more than 5 million cordobas, was spent on food.

Panama

'Terrorist Act' Interrupts Power, Water Supplies

PA2912003392 Panama City Circuito RPC Television in Spanish 2334 GMT 28 Dec 92

[Text] A communique issued by the Institute of Hydraulic Resources and Electrification, IRHE, stated that a terrorist act affected four electricity towers bringing power from the hydroelectric plants in Chiriqui Province. The IRHE communique stated that it will be unable to totally meet the electricity needs of the provinces of Panama, Colon, and those in the country's central region while the necessary repairs are being made. It added that electricity service will be rationed by rotating the supply until the system is back to normal. The communique explained that as is customary, priority service will be provided to medical institutions, the National Water and Sanitation Institute [IDAAN], and other essential public services. Here is IRHE Director General Gonzalo Cordoba with more details:

[Begin recording] [Cordoba] The rationing periods will be similar to the ones established during the summer when there was an electricity shortage. We had excess electricity at the Los Valles and Fortuna hydroelectric plants. In Fortuna, we had been spilling the excess water. It is unfortunate that when we were resolving such an important problem and when we had such a good surprise for the people, terrorists and people who have no consciences have done something that affects us all.

[Unidentified reporter] [Question indistinct]

[Cordoba] I want to point out that some people have been making assertions about the reasons for the power outage. My personal opinion is that by making such incorrect assertions, they are showing that there are really many people behind this.

[Reporters] [Question indistinct]

[Cordoba] Look, a special police unit is now traveling there by helicopter. We have the IRHE technicians working in the area. We had to obtain helicopters to inspect the entire line and see where the problem had occurred. So far we have found four towers affected.

[Reporters] [Question indistinct]

[Cordoba] I have no idea. The rationing began at approximately 1500 [2000 GMT] when we began providing electric power to some areas of the country. Chiriqui Province is obviously not affected. The rest of the country is affected.

[Reporter] How many hours do you think it will take [words indistinct]?

[Cordoba] We do not have the means to lift that type of structure, but we will install temporary systems while we purchase and reinstall new towers. We hope that in a few days we will be able to provide electricity to the entire country.

[Reporter] Where have the towers been toppled?

[Cordoba] In the Canazas area. [end recording]

An IDAAN communique announced to all its customers in the Panama City metropolitan area that due to today's power outage, the supply of water from the Chilibre water plant has been interrupted, thus leaving a large sector of the city without water. It added that water service in many areas, especially in higher locations, will be normalized late on 28 December.

Ad Hoc Commission on Amnesty Issues Report

PA2812171192 Panama City LA PRENSA in Spanish 28 Dec 92 p 1

[Report by Manuel Alvarez Cedeno]

[Text] The Legislative Assembly Ad Hoc Commission, which approved the amnesty draft bill in its first debate, stated that it is a favorable time of the year to find a path toward understanding, so "the political, economic, and social activities in the country are normalized."

The report from the Ad Hoc Commission was signed by government party Deputies Arturo Vallarino and Alonso Fernandez. Elias Castillo signed the report for the PRD [Democratic Revolutionary Party], and Gloria Moreno of the PDC [Christian Democratic Party] did not vote.

"The end of the year is a favorable time to try to find a path toward peace and understanding among Panamanians, so that within a broad and calm atmosphere—the political, economic, and social activities in the country can be normalized," states the 23 December report.

PDC Vice President Raul Ossa said no amnesty can be granted "in cases as serious as homicide" in which several soldiers are (supposedly) involved.

Regarding the soldiers who were arrested and charged with murder, he said "we definitely want those to be tried because there can be no amnesty in cases as serious as homicide."

Ossa, who is also a PDC deputy, said the government "has made an agreement with the PRD" to gain support of the PRD legislators for the contract law between the government and the Panama Refinery "in exchange for passing the amnesty bill."

He clarified, however, that "we are not willing to grant a general amnesty that will exonerate the culprits."

CCN Issues Communique Opposing Amnesty Bill

PA2812165992 Panama City CRITICA LIBRE in Spanish 28 Dec 92 pp 56,46

["Text" of a communique issued by the National Civic Crusade, CCN, in Panama City; date not given]

[Text] A strong communique issued to the whole country by the National Civic Crusade [CCN] states: "Legislators who owe their seats to the people, who fought to rescue the moral values trampled on by the dictatorship during the past two decades, today fall back on their election campaign promises by forming alliances with Revolutionary Democratic Party [PRD] criminals to bring about impunity for those who still have not been brought to account for their crimes." The text of the communique is as follows:

Considering the National Assembly's imminent approval of the much criticized amnesty bill, which will further divide Panamanians, those of us responsible for leading the CCN during the fight against the dictatorship retake the vows made in those days and demand their observance.

With shamelessness bordering on treason, legislators who owe their seats to the people, who fought to rescue the moral values trampled on by the dictatorship during the past two decades, today fall back on their election campaign promises by forming alliances with PRD criminals to bring about impunity for those who still have not been brought to account for their crimes. This is a result of the judicial delays used by their lawyers more than of the inefficiencies inherent in the judicial system.

To demand brazenly that an amnesty bill is the only possible option for those who purport to forget the suffering of those who were injured, beaten, jailed, exiled, abused, killed, as well as those who enjoyed the use of embezzled funds in addition to taking advantage of the consequences of a foreign military invasion with its aftermath of death and destruction, without having to pay the price for their responsibility. [sentence as published]

Hiding behind the label of so-called political crime, the most conspicuous of these criminals pretend to evade their responsibility in the crimes perpetrated. At the same time, their conduct only encourages the belief that crime does pay in Panama, and that the practice of "expediency" [juega vivo] is above basic values such as country, family, work, law, order, and morals.

Gentlemen Legislators of the CCN: Do not drive another nail in the cross of our indignity by bringing about an immoral amnesty bill. Let us accept the suggestion made by the Panamanian Catholic Church, and let it be the justice system and not political party interests that initiate the phase of decency and reconciliation required in Panama. You pledged to do something; now we are demanding it.
[Signed] Fernando Boyd, Alberto B. Conte, Carlos E. Gonzalez, Jose R. Mulino, Ricardo Perez

Unauthorized Debt Payment of $256.5 Million Made

PA2812194892 Panama City LA ESTRELLA DE PANAMA in Spanish 28 Dec 92 p1A

[Article by James Aparicio]

[Text] President Guillermo Endara's government has illegally used, without Legislative Assembly authorization, $256.5 million to cancel in 1992 the arrears it maintained with international financial institutions. This was revealed in documents to which LA ESTRELLA DE PANAMA had access.

The financial operation, confirmed by Comptroller General Ruben Carles in a letter dated 4 December to Delia Cardenas, minister of planning and economic policy, was carried out without the filing of a request for special funds.

Carles has indicated that the national treasury recovered $140.6 million, of which $115.9 million are still outstanding.

According to the report, the following amounts still must be recovered to pay $50.1 million in arrears to the Institute of Hydraulic Resources and Electrification (IRHE); $21.1 million to the Panama National Bank (BNP); $20.4 million to cancel debts with the Agricultural Development Bank (BDA); $16.4 million owed to the National Water and Sanitation Institute (IDAAN); and $7.9 million to the Civil Aeronautics Directorate.

Carles told Minister Cardenas: "As I have been saying all along, those funds must be returned in cash during the 1992 fiscal year. These funds were taken out of regular funds that in the 1992 budget appear as revenues. From these funds, disbursements were made without prior authorization so they now appear as accounts receivable."

Carles said a compensation operation is being attempted so as not to return to the national treasury those funds used without Legislative Assembly authorization, as required by law.

Last week the majority of the Legislative Assembly Budget Commission's members approved the dismissal of 11,000 government workers in 1993; the decapitalization of state run companies in the process of being privatized; and the issuing of a blank check for $114 million, of which each legislator could received $2 million.

On 21 December, Second Vice President Ford, in response to Carles' claim, said those disbursements not authorized by the Legislative Assembly had been authorized by the Cabinet on 31 October 1991.

Ford conceded that $42 million had to be returned to the U.S. AID. He accepted the need for a compensation operation among the national treasury and the IRHE, the BDA, the IDAAN, and Civil Aeronuatics.

The Budget Commission is trying to get the additional authorized expenses from the National Institute of Communications, IDAAN, IRHE, the Port Authority, and the Colon Free Zone. These expenses were authorized, despite opposition from the Democratic Revolutionary Party and the Christian Democratic Party,

Contradictorily, while authorization was granted to dismiss 11,000 government workers, 4,136 new workers will be hired in a preelection year.

Communist Leader on Judicial Branch Controversy

PA2812161792 Panama City CRITICA LIBRE in Spanish 28 Dec 92 p 12

[Report by Justino Gonzalez Jr.]

[Text] Ruben Dario Souza, secretary general of the Marxist-Leninist People's Party said on 27 December that the suspension of Attorney General Rogelio Cruz must be regarded as "a struggle between mafias that lost their cohesion and now are forced to expose each other's dirty laundry." Souza said this situation is "the beginning of the end for the puppet regime," a situation similar to the crisis brought about by former Colonel Roberto Diaz Herrera during the previous government. "Cruz is now playing the role that Melanio Herrera played in 1987," Souza said.

The experienced communist leader attributed this crisis to the collapse of the U.S. project implemented in Panama, which was started illegally through the 20 December 1989 invasion. "There is no institutionality. That had to happen. What we have here is a monster," he said, and added that the mafias are exacting revenge from one another and exposing each other's dirty laundry.

It would not be surprising if the DEA requested the occupation of the country as the result of the incidents between officials of the judicial branch.

Liberal Party Elects Roberto Aleman New President

PA2412154292 Panama City LA ESTRELLA DE PANAMA in Spanish 24 Dec 92 p 1

[Text] Roberto Aleman, active member of the Liberal Party, was elected new party president. He said he is in favor of his party playing a leading role in the country's political life.

During a meeting with journalists at his fifth-floor Igra building office, Aleman recalled that the liberal governments the country has had gave Panamanians a period of continuous economic growth, a period of great peace, and a keener sense of national dignity.

Aleman was elected party president after Roderick Esquivel's resignation. The official confirmation will take place in Chorrera at 1000 [1700 GMT] on 27 December, when the party's National Executive Council [CEN] will announce the election and swear him in.

"I have been party vice president for many years. It is an honor to be selected for this high position. I proudly accept the distinction bestowed on me," Aleman said. He told the journalists that the Chorrera ceremony will serve to hear a message from Esquivel, the resigning president, a CEN definition, and Aleman's own speech.

Regarding future plans, Aleman underlined the need to unite the local liberals so that the party can continue to be a leading force in the country's political life, as it has always been.

"The wounds of the past are healing. That's all we need," Aleman said. He is convinced that liberals of all tendencies will come to agreement sooner or later.

New Acting Drug Secretary Appointed

PA2912155992 Panama City Circuito RPC Television in Spanish 2300 GMT 28 Dec 92

[Report by Ciro Ortega]

[Text] On 28 December Attorney General Jorge Ramon Valdes appointed Norberto Castillo Perea as the new acting drug secretary, replacing Ariel Alvarado, who was suspended and placed under house arrest.

[Begin recording] [Castillo] I know this is a delicate department to handle and it requires hard serious work—that is what I intend to do.

[Ortega] Are you a member of any political party?

[Castillo] Well, yes. I do belong to a political party, but I will resign if necessary.

[Ortega] What party do you belong to?

[Castillo] I am a member of the Authentic Liberal Party.

[Ortega] Will you follow up on any drug trafficking cases that implicate government officials?

[Castillo] If that is the job I must perform, evidently, that is what I am here for. If the nomination is confirmed today, I will proceed to do whatever is necessary.

[Ortega] Will being a member of the Authentic Liberal Party limit your objectivity in this post, which calls for responsibility and a firm stance?

[Castillo] No, because I am a lawyer before being a politician and I have been called here as a lawyer to act as the drug secretary. That is what I have come to do. [end recording]

The new acting drug secretary, despite visiting his new office previously, was not aware that it had been searched and there is a possibility some documents might be missing.

Jaime Abad, the director of the Judicial Technical Police, gave the following comments upon his arrival at the Attorney General's Office regarding the Rogelio Cruz case.

[Begin Abad recording] The Cruz case is an open case, which means it is in progress. According to its organizational law, the agency I direct is an auxiliary resource in that investigation. Therefore, we are at the orders of the solicitor general and the Supreme Court—for as long as necessary to carry out that investigation. I repeat, therefore, as the case is open the only comments I will respectfully make to the press and the community is the following: I will make no comments and that is all I will say. [end recording]

Bolivia

Cochabamba Church Attacked 25 Dec; No Injuries

PY2812135092 La Paz Radio Fides Network in Spanish 1100 GMT 28 Dec 92

[Report from Cochabamba]

[Excerpt] The new Catholic church of Calala dedicated on 12 December has been attacked with dynamite. The police are investigating this terrorist attack that caused uneasiness among the Calala residents and material damage to the church.

Father Fernando Rojas, the parish priest, gave us the following information:

[Begin Rojas recording] The explosion broke some windows and part of the church roof. The material damage is not as bad as we expected, but the psychological damage and the impact were great because the attack was perpetrated on Christmas. We should recall that Jesus is the light of humanity, that He came to erase all hate, desperation, and injustice. We are all very moved by this brutal attack. [end recording]

The attack, which is being investigated by the Departmental Police, was perpetrated after the Christmas Eve midnight mass, at approximately 0400, after everyone had left. There were no pamphlets left but Father Fernando Rojas received a threat by telephone. Rojas did not give any details of the threat because the police are investigating. Rojas said no pamphlets were found. [passage omitted]

Leader Admits Coca Growers Sell to Traffickers

PY2612001092 Santa Cruz EL MUNDO in Spanish 17 Dec 92 National Section p 2

[Text] Cochabamba, 16 Dec (ANF-EL MUNDO)—Evo Morales, the main leader of coca growers in the Cochabamba tropical region, admitted for the first time that coca growers are forced to sell coca directly to drug traffickers as a result of the obstructions permanently imposed by state organizations such as the Special Antinarcotics Force.

Morales said that coca growers are forced to sell their production directly to the middle men of drug traffickers because they have no legal markets due to the permanent interference they suffer when selling coca.

He said the interference occurs in several legal coca markets, such as the one in Eterazama, where growers suffer the intervention of members of Umopar [Mobile Police Unit for Rural Areas].

Morales justified the growers' attitude, saying that they negotiate directly with the drug traffickers in fear of being "captured" by the drug trafficking repression forces, who for various reasons permanently take over union and social facilities in the communities of the Cochabamba tropical region.

This information was revealed when Morales reported that recently another union facility in Tacopaya had been intervened with by Umopar forces, creating uneasines among the peasant population in that zone.

Morales labeled the interventions provocative. He said that the coca growers had given Umopar and the Social Defense Undersecretariat until the weekend to guarantee a return to normality.

Morales added that if this environment of uneasines continues, it is possible that the business of selling coca directly to drug traffickers will increase, thus transgressing the government policy of gradually replacing coca.

Brazil

Reportage on Events Surrounding Impeachment Trial

New Lawyer To Defend Collor

PY2812170092 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 28 Dec 92

[Text] The trial of suspended President Fernando Collor de Mello on charges of malfeasance will be held tomorrow starting at 0900. Impeachment Committee Chairman Justice Sydney Sanches accepted Collor's new defense lawyer, but he did not dismiss the lawyer appointed by the court last week.

Sydney Sanches said that he used the penal code to make his decision:

[Begin recording] I accept that lawyer Jose de Moura Rocha is qualified to act as defense lawyer for the accused.

2. [number as heard] I reject the 30-day deadline request to study the case.

3. I maintain the date of the trial for 29 December, starting at 0900.

4. Illustrious court-appointed lawyer Inocencio Martires Coelho was notified to appear at the trial and to remain throughout at the disposal of the presidency to act in defense of the accused if the accused for any reason again is in contempt of court. [end recording]

Sydney Sanches explained that the suspended president has the right to appoint a new lawyer at any phase of the process, but the new lawyer cannot request more time to study the process.

Justice Rejects Delaying Trial

PY2812180792 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 28 Dec 92

[Report by Andrea Boni from Brasilia—live]

[Text] In order for Justice Sydney Sanches to make the decisions he announced today he had to study the petition of suspended President Fernando Collor, the arguments of the accusation against the petition, and the injunction request submitted to the Supreme Court. Regarding the injunction request, Justice Sepulveda Pertence said he will decide on it today.

[Begin recording] [Boni] Why did you not grant the 30-day extension requested by the new lawyer?

[Sanches] Because there are no legal provisions for it, and because when an indicted man in contempt of court appoints a new lawyer, that lawyer takes over the process where it is, and the process is at the trial stage.

[Boni] According to the decision made today the trial will be held tomorrow at 0900; is there a new possibility for its postponement?

[Sanches] I do not see any possibility, and even if I could see one, it would be hard to explain the reasons.

[Boni] Justice Sepulveda Pertence will respond today to the injuction request. Could there be a change on the decisions you made?

[Sanches] That depends exclusively on Justice Pertence.

[Boni] Could you better explain the situation of having two defense lawyers? How is that going to work in the trial if the defense lawyer of the suspended president does not appear?

[Sanches] If his lawyer does not appear the court appointed laywer will act as his defense. The court appointed lawyer will be present during the trial and if Collor is declared in contempt of court again lawyer Inocencio Martires Coelho will take over the defense. [end recording]

Trial Date Confirmed for 29 Dec

PY2912010792 Rio de Janeiro Rede Globo Television in Portuguese 2223 GMT 28 Dec 92

[Speakers identified by screen captions]

[Text] It is now confirmed: The first trial of a president of the nation on charges of malfeasance in office will begin at 0900 [1100 GMT] local time tomorrow. We now will have a live relay from Brasilia correspondent Carlos Nascimento.

[Nascimento] Suspended President Fernando Collor managed to have his latest lawyer, Jose de Moura Rocha, accepted as his defense lawyer at tomorrow's trial in the Senate. He did not, however, get the extension he wanted to prepare his defense. We have a report by Delis Ortiz.

[Ortiz] Collor's defense waited five days for an answer that was not quite what it wanted to hear. Justice Sydney Sanches accepted new lawyer Jose de Moura Rocha, but he refused to grant the 30-day extension the lawyer had requested to prepare for the case. The justice explained that the accused has a right to replace his lawyer, but the new lawyer had to take over the process where it is.

The defense also requested the dismissal of public defender Inocencio Martires Coelho, but Justice Sanches not only kept him on the case but also summoned him to be present at the trial on 29 December to provide for any unexpected developments. If the new lawyer or the suspended president does not appear at the trial, lawyer Martires Coelho will step in and take over the case to make sure the trial is held.

[Sanches] Every measure must be taken to prevent the trial from being disrupted or hampered by any of the parties. This is one such measure.

[Ortiz] Cameras have been positioned in the Senate once again. The senators are also back. The defendant and his lawyer will be sitting in the first row to the right of the chairman's rostrum. To the left is located the podium for the witnesses and the plaintiffs. The chairman's rostrum will be occupied by the secretary of the Senate, Senate President Mauro Benevides, and trial chairman Sydney Sanches, who will direct the questioning of the witnesses. He will be the first to ask questions, followed by the lawyers, and finally the senators, who will be submitting their questions in writing.

The plaintiffs will have two hours to present their case. The defense will have two hours as well. Both sides will be allowed 30 minutes each for rebuttals if they wish.

Only senators will be present at the trial; each will be allowed 10 minutes during the debate, after which nominal votes will be cast in the alphabetical order of the states the senators represent.

The senators will be asked the following question: Did the defendant commit the crimes of which he is being accused and should he be punished with the loss of his term in office and his right to hold any other public office for a period of eight years?

If at least 54 senators say yes, the president is sentenced; if not, he will be acquitted and reinstated.

[Nascimento] The federal Constitution and the Penal Code are the main obstacles to any further attempts at postponing the trial. Alexandre Garcia will tell us why.

[Garcia] Article 449 of the Penal Code states that the trial can be postponed only once, and it will be held once the defendant is summoned for the second time. This time the trial will be held either with the lawyer appointed by the defendant or the public defender appointed by the judge. This is one of the obstacles to any further postponements.

Paragraph 68 of Article 5 of the federal Constitution states that habeas corpus can be granted only when the defendant's freedom to move is in jeopardy. On these grounds, Justice Sepulveda Pertence has just rejected the latest plea for habeas corpus that lawyer (Albano Farias) submitted to the Federal Supreme Court [STF]. Thus, nothing else is

pending at the STF and the trial has been confirmed for 29 December. Back to you, Carlos Nascimento.

[Nascimento] The public defender Justice Sanches appointed to defend the suspended president already has decided his course of action for tomorrow.

[Reporter Beatriz Thielmann] Lawyer Inocencio Martires Coelho, appointed by the STF chairman, has studied the entire case and has announced that the defense is ready. One of the lawyer's main arguments will be that suspended President Fernando Collor had little time and few means to defend himself from the charges. Meanwhile, lawyer Jose de Moura Rocha, appointed by the suspended president, plans to show up at the trial and conduct the so-called confrontational defense: He will argue that the court, in this case the Senate, does not have the right to judge suspended President Fernando Collor.

[Nascimento] The plaintiff's lawyers believe the suspended president might resign before tomorrow's trial in the Senate. They want the trial to continue to the end.

[Reporter Antonio Carlos Ferreira] The plaintiff's lawyers believe the suspended president's rights to defend himself are being respected. They refute Fernando Collor's lawyers' argument that the Senate has become a court of exception, that is, a court that is not complying with the nation's laws.

[Lawyer Evandro Lins e Silva] It is a court the national Constitution has established to try impeachment cases. Therefore, it can hardly be termed a court of exception.

[Ferreira] The plaintiff's lawyers feel the defense will try to come up with new legal obstacles in an effort to postpone tomorrow's trial. They believe, however, that the most probable outcome will be the resignation of the suspended president. If this happens, the plaintiff's lawyers will insist that the trial must continue to make sure that if found guilty, the suspended president will be unable to hold public office for eight years.

[Lawyer Fabio Konder Comparato] The trial must continue; that is what the whole nation wants. The president cannot be allowed to make fun of the Senate, which has been summoned twice to try him.

[Nascimento] All 81 senators who will decide the fate of the suspended president are now in Brasilia ready to vote tomorrow.

[Ferreira] Today's plenary session was silent during the two hours that Collor's former justice minister, Jarbas Passarinho, occupied the rostrum. Senator Passarinho spoke about the meetings he held with suspended President Fernando Collor and the instructions he received. Collor had made it a point that every charge should be investigated. At the end of his statement, Senator Passarinho said he still is awaiting concrete evidence capable of convincing him that the Paulo Cesar Farias scheme had no links to the administration. He said he needs evidence to judge whether an impeachment will be proper.

[Passarinho] I share the opinion of most senators that his lawyers' arguments have not refuted the charges against him so far.

[Reporter Heraldo Pereira] The five senators who still support suspended President Fernando Collor did not participate in today's debate. They chose to work discreetly backstage. Early this evening, however, they admitted that the strategy implemented these last few weeks has failed.

[Senator Aureo Mello] I can guarantee that the five votes that have been secured will not change, but everything seems to indicate that everyone else will vote against the president.

[Pereira] Forty of the 81 senators were present in Congress today. It is expected that every one of them will be present in Brasilia early tomorrow morning.

[Senator Pedro Simon] It will be a normal and proper trial.

[Nascimento] Let us go back to the Senate's Blue Hall, where reporter Heraldo Pereira has some more news for us.

[Pereira] The latest survey shows that 70 senators already have arrived, and all 81 senators are expected to arrive early tomorrow morning. The only one having some problems is Senator Carlos Patrocinio from Tocantins State, who has been unable to find a seat on any flight. The Senate leadership, however, has taken precautions and has borrowed small planes to cope with such emergencies.

[Nascimento] We now have the latest from the STF brought to us by Alexandre Garcia.

[Garcia] Impeachment trial chairman Sydney Sanches has not received any information so far on whether suspended President Fernando Collor will show up at the trial tomorrow. The suspended president's advisers have indicated that if he does show up, he will speak. Also floating around is the possibility that Collor may resign as a last resort. He will be unable to resign once the voting starts. If he resigns before the voting starts to avoid the secondary punishment of having his right to hold public office suspended for eight years, Justice Sanches has his response ready, but he has told no one what it will be. Thus, the STF has received no further defense pleas and the trial is confirmed for tomorrow. Back to you, Nascimento.

[Nascimento] Tomorrow Rede Globo will cover suspended President Collor's trial starting at 0900. We will be back at any time with the latest developments.

Collor Submits Resignation During Trial

PY2912115692 Rio de Janeiro Rede Globo Television in Portuguese 1132 GMT 29 Dec 92

[Statement by Jose de Moura Roucha, attorney for suspended President Fernando Collor, during Collor's impeachment trial at the Senate in Brasilia—live]

[Excerpt] I have asked to speak to make an announcement to the Senate and to the nation. I apologize to the illustrious witnesses and the Senate for this interruption. I have just spoken on the phone with President Fernando Collor. His Excellency has asked me to deliver to the president of the National Congress his resignation. I want to read the letter which was written on personal letterhead stationery. The letter says:

Your Excellency, president of the National Congress: I wish to inform Your Excellency that today and through this letter I am resigning from the office of president of the Republic to which I was elected during the elections of 15 November and 17 December 1989. Brasilia, 29 December 1992. [passage omitted]

Franco Declared New President

PY2912162092

[Editorial Report] Rio de Janeiro Rede Globo Television in Portuguese at 1341 GMT carries live coverage from the Chamber of Deputies in Brasilia where a joint congressional session has been summoned by Congressional President Mauro Benevides.

After confirming the necessary quorum, Benevides opens the session which, he explains, was summoned to inform the Chamber of Deputies and the nation that suspended President Fernando Collor this morning tendered his resignation as president.

After Collor's letter of resignation has been read, Benevides declares that the presidency is vacant and summons interim President Itamar Franco to appear at the Chamber of Deputies at 1430 GMT to be sworn in.

After a short recess the session resumes at 1441 GMT. Benevides explains that the purpose of the session is to swear in Itamar Franco as president following the resignation by Fernando Collor and appoints a committee to invite Itamar Franco to join the session.

Itamar walks into the Chamber of Deputies hall where he is greeted by some 100 deputies, 81 senators, other government authorities, and members of the diplomatic corps. Before taking the oath of office Franco hands Benevides a statement of his wealth and property.

Itamar takes the office promising to "safeguard, defend, and fulfill the terms of the Constitution, to respect the law, promote the overall well being of the Brazilian people, and to uphold Brazil's unity, integrity, and independence." At this point the crowd in the galleries of the hall spontaneously begins to sing the national anthem.

Benevides, deeply moved, then declares Itamar Franco "president of the Federative Republic of Brazil for the period 29 December 1992 to 1 January 1995" and asks the first secretary of Congress to read the installation document which is then signed by Franco and the pertinent congressional authorities.

After thanking all those who attended this historic moment Mauro Benevides tells Franco that Congress will cooperate so that his government can honor the aspirations of the Brazilian society.

Justice Sydney Sanches then summons a session of the Senate for 1530 GMT today to discuss the impeachment process. Benevides then closes the session.

Collor Reportedly Seeking Residence in France

PY2412205092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Dec 92 p 5

[Report by correspondent Reali Junior from Paris]

[Text] French Government sources have confirmed to ESTADO NEWS AGENCY that suspended President Fernando Collor has been unofficially probing the Palais de l'Elysee about his chances to settle in France after the impeachment proceedings are over. Upon being asked, President Francois Mitterrand did not object at all to Collor and his family coming to France. The suspended president may settle in France but he will not have asylum or political refugee privileges. The French Government is prepared to grant Collor temporary residence visas and French Ambassador to Brasilia Jean Bernard Ouvrieu, currently on a mission in Paris, has been instructed in this regard. Mitterrand made this decision based on humanitarian reasons, even though he has been informed that the suspended president's freedom has not been curtailed in any way. The decision also is in keeping with the French tradition because this country has received innumerable ousted presidents. In Collor's case, one of the reasons is that he has many friends in France and is personally a fan of France. His two children, who are studying in Switzerland accompanied by their mother Lilibeth Monteiro de Carvalho, last weekend boarded a plane from Paris to Miami, where they will spend Christmas. They are scheduled to return to Switzerland after the new year. Lawyer Paul Lombard [prominent French lawyer, Lilibeth Monteiro's fiance, and reportedly Mitterrand's unofficial envoy to Collor], who was scheduled to fly to Brasilia on 16 December, canceled his reservation at the last minute.

National Secretary Dismissed for Carrying Drugs

PY2912140092 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 29 Dec 92

[Text] Acting President Mauro Benevides has dismissed Carlos Eduardo de Araujo Lima, National Secretary of Citizens' Rights and Justice. The acting president made this decision in compliance with a request submitted by Justice Minister Mauricio Correa.

The national secretary was caught red handed last Saturday, 26 December, carrying 15 grams of cocaine and 14 grams of marijuana.

No Congressional Action on Several Draft Bills

PY2812175692 Rio de Janeiro O GLOBO in Portuguese 27 Dec 92 p 4

[Text] Brasilia—Congress has reached the end of 1992 and has not voted on several important draft bills, many of which were submitted under Collor's administration. Aside from the fiscal reform draft bill, the Law on Education Bases and Guidelines [Lei de Diretrizes e Bases da Educacao, LDB], most of the Law on Political Parties, the law concerning the national legal adviser, the land reform regulations, and the draft bill referring to the workers' participation in the profit of their respective enterprises are still being debated by the Chamber of Deputies. The law concerning the modernization of ports, the law on the awarding of bids and contracts in the public sector, and the restriction of public expenditures have already been approved by the Chamber of Deputies and are awaiting Senate approval.

During the last cabinet meeting, Industry and Commerce Minister Jose Eduardo Andrade Vieira warned about the danger of not being able to implement the industrial projects until Congress approves the draft bill on the modernization of the ports, copyrights, the draft bill promoting technological training, and the law on software [preceding word in English].

Congress has been debating the law referring to the worker's participation in the enterprises' profit for the past 40 years. The last proposal on this issue by Senator Edison Lobao is awaiting the approval of the Finance and Tax Commission of the Chamber of Deputies. Voting on land reform is tied to the draft bill on modernization of the ports. As long as the latter is not submitted to the Senate, the bloc headed by the PFL [Liberal Front Party] is going to hinder voting on land reform in the Chamber of Deputies.

In addition to suspending Collor, the legislative branch has shown other signs of efficiency by voting on, in only one week, the income tax amendment law and the new salary law. The expeditious way in which the income tax law was voted on, however, only prompted the deputies' criticisms rather than praise.

While Deputy Prisco Viana (PDS-BA) [Social Democratic Party for Bahia] watched the approval of the law from the area in Congress destined for the media, commented: "It is ridiculous. The draft bill is being drawn up on the spur of the moment."

There is an explanation of the fact that Deputy Prisco Viana, a deputy with 22 years in Congress, only acted as a spectator: the presence of legislators at the plenary is almost unnecessary to vote on projects on an urgent bases as long as the bloc leaders have reached an agreement. In this case the draft bills are voted on without observing the regulations. Nobody requests the verification of the necessary quorum and the issue is voted on as if the necessary number of legislators to vote are present. This is how Congress, the week before Christmas, approved 45 supplementary draft bills, amounting to 83 trillion cruzeiros, with the presence of just one senator and less than 20 deputies.

Youths To Join Brigade of Solidarity With Cuba

PY2912135892 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 29 Dec 92

[Text] Sixty Young Brazilians will participate in the Latin American Brigade of Solidarity with Cuba. This movement is being organized by the World Federation of Democratic Youth headquartered in Budapest.

Beatriz Rocha, one of the organizers of the event, has said that the objective of the trip is to strengthen cultural relations between Cuba and the rest of the world.

Chile

Quinta Normal Councilman's House Bombed

PY2412202192 Santiago Radio Chilena Network in Spanish 1000 GMT 24 Dec 92

[Report by Gerardo Beltran from mobile unit]

[Text] Three unidentified individuals bombed the house of Quinta Normal Councilman Manuel del Segundo Fernandez Araya, a Christian Democratic Party member.

The bombing was carried out early this morning when the three unidentified people approached the councilman's house, located at 4569 Embajador Gomez Street in Quinta Normal District. They threw a bomb, apparently manufactured with 80 grams of ammonium gelignite, causing minor property damage. No casualties were reported.

The police investigation was carried out by Maipu Carabineros Precinct personnel while the data and the records on this criminal action were reported to the 24th Santiago Criminal Court.

Manuel Rodriguez Front Leader Defends Strategy

PY2512112292 Santiago LA TERCERA DE LA HORA in Spanish 18 Dec 92 p 44

[Article by Osvaldo Navas V.]

[Text] "The armed struggle is the main pillar of our strategy and it will always be at the top of our options, always with a basic political conception. The Manuel Rodriguez' project will be a legitimate one for as long as there is exploitation, injustice, and impunity."

This is the summary of the Manuel Rodriguez Front's [FMR; name as published] line of thinking. The FMR currently is undergoing a "broad and deep process of self-criticism in order to discover the reasons for limiting the development of its policies." These statements were

made by FMR's maximum leader "Commander Salvador." The remarks were published in "EL RODRIGUISTA," the FMR's official newspaper on the ninth anniversary of the front's foundation on 14 December.

"Salvador," as LA TERCERA stated in an exclusive report, has been the extremist organization's leader since the death in October 1988 of Raul Pellegrin, "Commander Jose Miguel or Rodrigo," after the attack on the Los Quenes police post in the Seventh Region. Salvador, 42, is a Communist Party militant who went into hiding during the military regime. He travelled to Cuba and received military training that was later tested and improved in Nicaragua's guerrilla warfare, where he reached the rank of "commander." He returned to Chile clandestinely, joined the FMR, and took over the leadership after the death of his chief. He is considered one of the promoters of the FMR reorganization process "after confirming the front's low level of development; the loss of a protagonistic role in the national political life; and a loss, in global terms, of its political, operative, and combat capacity, which, even though allowing for a presence in certain fields, is absolutely insufficient to face the political requirements of the moment."

During the long interview, "Salvador" recognized the divisions within the front and that some members have split to create new factions while others have decided to stay on the sidelines. On the first point, "Salvador" says the new factions "mechanically continue the fight against the dictatorship...and they try to have an effect by staging spectacular propaganda actions. The difference lies in that we are conscious of our mistakes and we expect to develop the front in accordance with the expectations and demands of the different social sectors."

"Salvador" reaffirmed that the armed struggle is still valid, adding that "at certain points in the development of our campaign other forms of struggle seem more important. Then we can say that some forms of struggle drop to a second level of importance, although not the armed struggle in itself..." He later discussed the subject of "paid betrayals" and explained that "payments for betrayals and information are aimed at undermining the will of our combatants and encouraging treason. This harms us but is far from being the worst threat to our security. The truth is that while for years the police and the CNI [National Intelligence Center] were the only ones involved in this type of work, now it is being done by members of other people's organizations that had fought the dictatorship but now are using its very same methods."

He also downplayed recent "blows" experienced by his organization, although he admitted that there have been some. "Salvador" pointed out that there had been worse times. He does not want to establish relations with other extremist groups or set up a coordinating board. "Even though, generally speaking, our idea of unity implies a broad involvement of various organizations that represent the interests of the people, we are not interested at present in hastening the process of unity and running the risk of ending up with meaningless efforts at the top," he said.

Upon being asked about the kidnaping of businessman Cristian Edwards, "Salvador" said: "Politically speaking we believe that it was a perfectly valid action. All Chilean people are aware of the role the Edwards family has played in this country, especially to destabilize the Popular Unity administration, and of its ties to Pinochet. Furthermore, we believe that the ruling classes must realize that despite all their power to exploit other people, they are vulnerable." Thus "Salvador" publicly recognized for the first time that the FMR is responsible for the kidnaping. He also "totally and absolutely" justified the killing of Senator Guzman.

"Salvador" explained that bank robberies are both militarily and politically necessary. Although they do not resolve the organization's financial problems, "they serve as battle training for FMR organizations." He went on to say that the electoral struggle "does not resolve Chile's main problems, and the only chance the people have to tilt the scales in their favor is by keeping up the mobilization and the struggle and by developing their material strength."

'Government Source' on 'Dangerous' Front

PY2512115492 Santiago LA NACION in Spanish 18 Dec 92 p 12

[Excerpts] The Manuel Rodriguez Patriotic Front-Autonomous Branch [FPMR-A] is a myth to some people. For the government, however, it is "the most dangerous terrorist organization," and in order to dismantle it the government has resorted to the "intellectual" aid of countries like France, Italy, and Spain, which have vast experience in this field.

This is not only a valid action, the government thinks, but it is also "absolutely commendable and positive in a new democracy" in that it allows us to "learn the strategies and policies of other countries with more experience in the field of facing terrorist movements."

A government source who asked not to be identified added: "Furthermore, the examples we want to study come from consolidated democracies like the case of Italy, Spain, and France."

The source nonetheless said that this cooperation—which was criticized by the top FPMR-A chief "Comrade Salvador," whom government intelligence organizations keep records on, in the latest interview published in EL RODRIGUISTA newspaper—has been rather more "intellectual" than material.

In that interview, "Salvador" also said government officials have held informal contacts with the FPMR and that others have received military training in Cuba.

Regarding the former assertion, the government, which does not acknowledge the mentioned contacts, approves the positive initiatives made in such respect, such as the "Peace Initiative" promoted by the Chilean Human Rights Committee and some political leaders to make FPMR members lay down their weapons and join society.

"There is nothing wrong that on the one hand the government should combat terrorism through its forces of order and security, Carabineros and Investigative Police, by either preventing crimes or by rapidly and efficiently responding to crimes, and on the other hand it should sponsor initiatives to make people who believe in violence lay down their weapons. They are not different paths. Never before has it been attempted to negotiate with a person who committed a crime or anything similar. Such negotiations have not been carried out at an official level. They were carried out by goodwilled individuals who really tried, but who did not obtain the expected results," the source said.

Regarding the military training of some current government officials, the source said he does not know them. However, the source said: "It would not be remarkable; the important thing is that people are judged by what they do. If it were the case, no one will make a big issue of the possibility that there are officials who at some point in their lives received military training. They currently are individuals deeply inserted in normal civilian life. Nobody can judge them for their past training if they are inserted in normal life today."

It has been said that former political prisoners or former subversive group members are cooperating with the Public Security Coordinating Office. Within this framework, the MAPU-Lautaro [United Popular Action Movement-Lautaro] took credit last April for the death of former political prisoner Domingo Faustino Sarmiento. FPMR members who created another subversive group a few weeks ago justified a "trial" against Fernando Moreno and Marcos Guajardo, two inmates imprisoned in the former Santiago Penitentiary.

The government has not spoken about the subject yet. The source categorically said yesterday: "The Public Security Coordinating Office does analytical work; it is not an operational organization; it does not have any informers."

"The Public Security Coordinating Office works with the information it is given by police. It analyzes, compares, and coordinates it with them. The most outstanding achievements of the antiterrorist struggle are the result of the information obtained and the preventive measures adopted," the source said.

The source stressed that the Effective Repentance Law is a proposal made by the executive branch and accepted by the legislative branch only for the purpose of "allowing certain individuals who belong to a terrorist group to cooperate to disarm these groups. Such cooperation must be made before a judge hearing the case and not before any other government organization."

The government avoids speaking in categorical terms about this law or any other measure to dismantle subversion because it believes that a categorical assertion "has dangerous aspects because there is always a possibility that even beyond the attacks, there may be two or three individuals that vindicate the group through a minor action."

"Rather than declaring the dismantling of these groups, the government achievements should be verified and the dismemberment of the groups should be evident by its own weight," the source said.

The infiltration technique to attain these objectives also is widely known. Although the government does not rule out that this has happened within the FPMR and other subversive groups, the government considers it as a possibility that no police force that wants to accomplish something should reject. [passage omitted]

His Former Comrades Approve His Actions

FPMR leader Leandro Torchio yesterday ratified that if it is necessary, his organization's members will again use their weapons. He said the people have the right to defend and organize themselves "and this is part of a military policy."

Torchio defended the FPMR's existence and said it is necessary to have military instruments "to promote the FPMR's general policy. The people have the right to defend themselves and to attack in all fields, and the FPMR is cooperating in this sense."

Regarding FPMR-A leader "Salvador," Torchio said that "ever since we split we have not maintained formal relations with them, but there have been contacts with several members in prisons. We think the FPMR-A is a democratic organization, and we are very interested in talking with them to see what joint effort we can make for Chilean democracy."

He said his organization "is a political-military instrument. We do not act with weapons but we are helping to develop a military policy."

When asked whether he still has weapons, Torchio said: "The weapons are in the hands of the former CNI [National Intelligence Center]; we would like to know what happened to the arsenal found in Carrizal. We know they carried out financial operations and mounted intelligence operations. We said that if the conditions are right, we will again use weapons."

FMR Conducts 'Self-Assessment'

PY2612205092 Santiago LA TERCERA DE LA HORA in Spanish 21 Dec 92 p 52

[Text] The national leadership of the Manuel Rodriguez Front [FMR, name as published] has conducted an in-depth self-assessment during which it admits "errors" that have undermined the capacity of the FMR, and states that on its ninth anniversary the organization "is seriously hurt."

In a document released in October of this year, under the title "The Historical Necessity to Acknowledge and Correct Errors and Shortcomings in the Implementation of the Rodriguista Project," the FMR national leadership analyzed the evolution of this organization since its birth

under the wing of the Communist Party [PC] as well as the "inability to practically implement the revolutionary project."

FMR "Commander Salvador" stated in an interview granted to the newspaper EL RODRIGUISTA, which was reprinted by LA TERCERA DE LA HORA on 18 December, that the above mentioned document has prompted a broad debate among FMR members. LA TERCERA DE LA HORA gained access to this document, and here are some of its paragraphs:

"The current situation in the FMR is a consequence of all the shortcomings, limitations, and mistakes which have now become more evident and significant. They are, however, not new. Some of them we were born with, and others we acquired throughout our development. Only by reviewing our history will we thus be able to discover, understand, and acknowledge the real causes of our situation."

"The PC began the people's revolutionary policy in keeping with those who believed that traditional methods of struggle had been exhausted. The left took a course of action that it had previously rejected—the use of violence—and advocated the people's right to resort to all means of struggle.... The PC created the organization to implement this policy. This was the birth of its armed branch, the FPMR [Manuel Rodriguez Patriotic Front], which saw the light on 14 December 1983."

"The PC not only created the FPMR, but also employed its internal organization to advocate military work for the masses. These two elements together were the cornerstone of the party's military policy."

"The party created the FPMR and developed a military policy for tactical rather than strategical reasons, which influenced the design of both the FPMR and the policy. Thus the party was responsible for the political guidance of the FPMR, while the front's national leadership was assigned a technical role."

The document adds that "international, particularly Cuban, aid played a key role in the military work of the PC and in the birth of the FPMR. Politically speaking, Cuba lent unlimited and permanent support to the struggle of our people. It served as a bridge to establish a broad spectrum of relations with the revolutionary movement, and placed its facilities at our disposal. This allowed us to train thousands of cadres and combatants in many specialties at various levels at Cuba's main training schools, and to carry out internationalist missions. Cuba provided material resources, such as logistic support, documents, and medical support, making it possible to carry out strategic operations."

About the shipment of arms brought into Chile, the document states: "Conditions were created for storing and distributing the industrial means [as published] that were shipped to Carrizal, and a special organization was set up with FPMR and PC people under the jurisdiction of the party military committee.... The failure, however—which inflicted a significant loss of means—was caused by an operational and tactical approach to a strategic operation."

The document issued by the FMR national leadership acknowledges the organization's shortcomings, which currently make its project "unfeasible" because "we could hardly put up a fight under our current internal conditions...."

According to the document, the organization "has been seriously hurt at all levels, and has had its possibilities for implementing a strategic project aimed at seizing power severely curtailed.... The fact is that we have been prevented from practically implementing the revolutionary project."

It adds: "The prestige of chiefs, leaders, and organizations has been undermined. The prevailing atmosphere is one of doubt and concern at all levels, permeated by rumors, jokes, and intrigues. Ideological decay has lowered morale among combatants, upsetting the normal relationship between work and mystique, pitting men and organizations against each other, systematically harming and dampening the will to fight, undermining the front's internal unity, jeopardizing security and compartmentalization, and systematically shrinking the front and its organizations."

The document then adds: "Having noticed the state of things, it is now urgent that we analyze what has happened, how mistakes were made, what led to this serious situation, and to what extent we are responsible for it."

It states that 1989, two years after the front split away from the PC and started operating independently, "was basically a year of reorganization, a task that was seriously hurt by, among other things, the actions in Tobalaba, which had their human and political cost" (the death of Roberto Nordenflycht, Volodia Teitelboim's stepson). The document also mentions "the high human, political and military cost" of the death in 1988 of Raul Pellegrin, "Commander Rodrigo," FMR founder and top leader.

The document addresses the nationwide talks conducted in March 1991 to discuss internal problems: "The talks clearly showed the declining image of the Front at all levels, and the schism between ideas and action widened even further. This paved the way for an internal hunt for 'culprits' from the top downwards. This hunt shook and polarized the organization into two lines of thought."

The document states: "We foresee that the new government will lose prestige quickly, and that the people will gradually adopt more radical attitudes, and we are prepared to take advantage of this situation."

It adds: "This type of analysis serves as a basis for the development of our tactics, which are the source of instruction, tasks, measures, and actions which are not implemented very often—and when they are, the results are not always those expected. As was to be expected, certain measures were taken immediately. Either entire leaderships were replaced or cadres shifted around. The Front is

now getting smaller every time, is less capable of implementing the revolutionary project, and many of its cadres are upset and confused."

Prison Officials Fired Due to Terrorist Escape

PY2812134792 Santiago Radio Chilena Network in Spanish 1000 GMT 28 Dec 92

[Excerpt] The National Prison Police regional director, the San Miguel prison director, and two prison personnel have been dismissed following the escape of extremist (Maritza Jara Hernandez). A pre-trial inquiry and the dismissal of employees and five other prison police officers have been ordered.

National Prison Police Director Isidro Solis has said that the terrorist managed to escape as a result of unforgivable negligence. He ruled out any possibility of bribery among security guards.

[Begin Solis recording] Terrorist (Maritza Adriana Jara Hernandez) managed to escape from the San Miguel prison by disguising herself as a visitor during Christmas.

2. [number as heard] She managed to escape because of various unforgivable acts of negligence by employees responsible for routine security control. [end recording]

(Jara Hernandez), who was sentenced to life imprisonment for her involvement in the kidnapping of Christian Edward del Rio [owner of EL MECURIO newspaper], escaped from San Miguel prison on the afternoon of 26 December by disguising herself as a prison visitor.

The National Prison Police has ordered the immediate dismissal of Inspector Domingo Arancibia, National Prison Police regional director; San Miguel Prison Director Mario Vidal, and two other prison personnel. The dismissal of five other prison employees was also requested. [passage omitted]

Article on Drug Trafficking, Laundering Activities

PY2412224892

[Editorial Report] Santiago LA TERCERA DE LA HORA in Spanish on 17 December publishes on page 30 an 800-word article by Sergio Rodriguez, who considers Chile part of an international drug trafficking ring, and "not only as a transit country for the drug, as it is also present in its various structures: 'mules,' consumers, financiers, and money launderers. These structures comprise the so-called 'narcocracy.' They are all led by transnational crime organizations."

Rodriguez goes on to note that in Chile this problem is fought by the Carabineros Crime Prevention and Drug Control Department, the OS-7, headed by Commander Jaime Rieutord. He adds that in recognition of this work the Inter-American Commission for the Control of Drug Abuse, which depends on the OAS, sponsored the first seminar held in Santiago. Canada, the United States, Mexico, Brazil, Peru, Bolivia, Argentina, Paraguay, Uruguay, and Chile participated in this seminar.

Analyzing the Chilean situation, Rieutord said that there is no law in Chile treating money laundering as a crime, but that this does not mean there is no control mechanism. He notes that so far, money coming from abroad can be controlled only by the income tax office and through thorough checking.

Rodriguez notes that when consulted about some areas of the Chilean economy, which has had a boom period over the past few years, and about whether money was laundered, Rieutord answered that the increase in money laundering does not mean that the economy is based on this illegal activity. "Money laundering is an international crime, which must be fought internationally with the cooperation of all countries, as a way to find the origin of the money," he concluded.

Colombia

Car Bomb Kills Three Policemen in Medellin

PA2912040792 Mexico City NOTIMEX in Spanish 0333 GMT 29 Dec 92

[Text] Medellin, 28 Dec (NOTIMEX)—Officials have reported that at least three policemen were killed on the night of 28 December by the explosion of a car bomb with 80 kg of dynamite in a residential zone in western Medellin.

Nearly 100 apartments were affected, and a shopping center and a fast food restaurant were destroyed.

The car bomb was detonated as a police patrol passed the area.

No group has claimed responsibility for the attack, which is being investigated by authorities.

The deaths of these three policemen brings to 69 the number of policemen killed in violent actions in recent months.

The cartel led by escaped drug trafficker Pablo Escobar has its headquarters in the country's northwestern region, where Medellin is located.

Authorities Accuse Escobar of Additional Crimes

PA2812191292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 28 Dec 92

[Text] The Medellin regional prosecutor's office has issued a new arrest warrant, without the right to release from prison, against Pablo Escobar Gaviria for manslaughter and personal injuries.

The authorities accuse him of the crime perpetrated against journalist Jorge Enrique Pulido, who was assassinated by hired killers in Santa Fe de Bogota three years

ago. Escobar Gaviria must also answer charges for the injuries inflicted on former "Worldvision" newscast announcer Jimena Godoy.

* Caqueta Mayors Concerned by Emergency Measures

93SM0082A Santa Fe de Bogota EL TIEMPO in Spanish 16 Nov 92 p 3A

[Text] Florencia—The mayors of Caqueta's 15 townships, through whose territories followers of the Guerrilla Coordination Board (CG) move "as freely as if they were at home," complained of their difficulties in complying with the decrees covering civil disorder.

"Our situation is serious. On the one hand, the government can easily find us guilty of helping the guerrillas, and on the other, our lives are in danger if we deny the support that the subversives demand from us. We are between 'a rock and a hard place,'" said the mayors, who met at midweek with Caqueta's secretary of government, Alfonso Lizcano Romero, to examine the decrees and to receive instructions about their application.

The decrees issued because of civil unrest prohibit mayors and governors throughout the country from speaking with the bandits and from providing them with economic or other assistance, under penalty of immediate suspension and dismissal.

However, it is very difficult to comply with these rules in Caqueta. "Six FARC [Revolutionary Armed Forces of Colombia] fronts move freely throughout the length and breadth of the 15 townships. They set up roadblocks on the highways and force citizens, including mayors and national and departmental government officials, to listen to their speeches and lend them their official vehicles, whenever they need them," one of the mayors present at the meeting said.

Despite their reservations, the mayors of La Montanita, Cartagena del Chaira, Puerto Rico, Florencia, Belen de los Andaquies, San Jose del Fragua, Curillo, Milan, El Doncello, Morelia, Valparaiso and Albania expressed their support for the government's measures to combat the guerrillas.

The mayor of Puerto Rico, Octavio Villa Pelaez, said that the guerrillas had not asked him for anything during the 20 days that he has occupied the mayorship, but they have maintained roadblocks on the road to Florencia. The latest one was set up last Wednesday, 11 November.

Puerto Rico and Doncello have been the townships most affected by guerrilla violence in recent days. On 26 October, 150 criminals from the XIV and XV FARC fronts killed 10 soldiers and two policemen in an attack on El Doncello. Three bandits died in that action. On the same day, five kilometers from Puerto Rico, one soldier was wounded and two criminals were killed.

Villa said that Puerto Rico is experiencing apparent calm at the moment, but that it cannot be forgotten that the guerrillas threatened to kill his predecessor, Alirio Calderon Perdomo, if he did not resign. He was later suspended from office because of suspected administrative irregularities.

"Our integrity can easily be called into question," said the Mayor of San Jose de Fragua, Humberto Lopez Bravo. "If the guerrillas come into the villages and speak with us, or demand that we lend them our vehicles, as has already occurred, we can be called auxiliaries of the guerrillas. If we tell the military forces about rebel activity, the subversives can kill us as informers.

The Mayor of Milan, Maria del Carmen Arias Calderon, said that the measures taken are sound, but that the government should instruct the Armed Forces to prevent officials and citizens from being accused by third persons of helping the guerrillas.

"It is no secret that in places in Colombia like this, or other townships, the guerrilla presence is inevitable, and the authority of the mayors is minimal, because of the level of insecurity in which we live," Mrs. Arias added.

Criminals of the FARC XIV and XV fronts are frequently present in the markets of Mateguadua, Granario and San Antonio de Getucha, but they escape when the Army approaches, according to military sources.

The Mayor of La Montanita, Arlex Gomez Lopez, said that everyone knows that the guerrillas coexist with the civil population and government officials, not only in his jurisdiction, but in Caqueta's 15 townships.

"There have been cases when they said to someone: 'brother, get out of the car, because I need it,' and one has no choice but to do it," Gomez recounted.

Gomez admitted that the guerrillas buy their supplies in the markets in La Montanita, and they move freely along the streets and highways, just as in the other townships.

Gildardo Jimenez Garcia, mayor of Curillo, said that the bandits from the FARC XXXII front are often in his jurisdiction, and that they have compelled him to speak with them on several occasions.

Jimenez said that when the government took these measures, it did not take into account the real situation in areas like Curillo, where, when he visits rural areas to talk with the peasants, he comes across the criminals, "and if they want to have a conversation with us, we have to go along. The same thing happens when we are riding in vehicles and they order us to stop and, if we do not, they kill us."

Ecuador

Army Chief Candidate Target of Dynamite Attack

PA2912024892 Madrid EFE in Spanish 0032 GMT 29 Dec 92

[Text] Quito, 28 Dec (EFE)—The private home of General Edmundo Luna, candidate for the post of Ecuadoran Army

commander, was the target of a frustrated dynamite attack some hours ago, his son reported on 28 December.

Diego Luna told EFE that on the night of 27 December, his father received a telephone call announcing that he would receive a "little Christmas present," and moments later several unidentified individuals hurled a dynamite charge from a moving vehicle. The device did not explode.

The device was later removed from the general's garden by police and military explosives experts who are investigating the incident.

Gen. Luna heads the three-member list that President Sixto Duran-Ballen is studying to replace General Carlomagno Andrade, who was commander of the Army until 10 December when the plane in which he was traveling with nine other people crashed in a Quito residential area, killing everyone on the plane but no one on the ground.

Diego Luna added that the general, who is also president of the professional soccer association of Pichincha Province, "has not yet received confirmation of his appointment as Army commander." His son thus denied local press reports indicating that Duran-Ballen had already formalized Luna's appointment to replace the late military officer.

Paraguay

ANR Electoral Board Releases Final Tally for Day

PY2812213892 Asuncion Radio Primero de Marzo in Spanish 2056 GMT 28 Dec 92

[Live relay by Maria Teresa Lopez from the Colorado Party, ANR, Electoral Board; all numbers as heard]

[Text] We have just received the latest unofficial results of yesterday's party primaries issued by the ANR [Colorado Party] Electoral Board. According to this count, Ticket No. 4 of Argana-Ibanez has increased its lead even more. This ticket now has 173,430 votes, that is 48.75 percent. Ticket No. 2 of Wasmosy-Seifart has received 146,821 votes so far, that is, 41.27 percent. The Diaz de Vivar-Frutos ticket has only 5.94 percent of the votes, that is, 21,124 votes. The Fretes Davalos-Acosta ticket has received 770 votes, that is, 0.21 percent of the votes.

This was the vote count for president and vice president of the nation. I will now give you the votes received by the senatorial tickets. The Argana-Ibanez list of senators received 170,206 votes, 48.58 percent; the Wasmosy-Seifart list of senators received 143,834, 41.05 votes; and Diaz de Vivar-Frutos obtained 24,324 votes for their senatorial candidates, that is, 6.94 percent.

The Electoral Board has counted 341,117 valid votes, that is 96.16 percent of the votes. The votes from 196 party precincts have been scrutinized and only 55 precincts are yet to be counted.

These figures are the last the ANR Electoral Board will release today. The vote counting will be resumed tomorrow. The board is still receiving results from various rural towns and cities, but no further tallies will be released today. Another list similar to what we have just read will be released tomorrow morning. That is all I have.

Diaz de Vivar Concedes to Argana

PY2812202692 Asuncion HOY in Spanish 28 Dec 92 (Special Supplement) p 6

[Text] Colorado Party [National Republican Association, ANR] presidential hopeful Gustavo Diaz de Vivar issued a message last night conceding victory in the primary elections to Luis Maria Argana. He also placed at Argana's disposal his faction's human and intellectual resources as yet another contribution to the efforts that have already been made to improve economic development, social benefits, freedom, employment, and a fully modern and representative democracy.

Diaz de Vivar added that the Diaz de Vivar-Frutos movement "reasserts its identity as a faction within the ANR with a style, drive, and philosophy of its own, promises to continue working to resolve national problems, and plans to continue advocating its political, economic, and social proposals for the good of the community."

He also stated in his message that the current political exercise must reaffirm the republican principle of government by the majority with full participation of the minorities and a clear-cut predisposition to do away with hate and violence. He added: "We hope that this electoral process distorted by interests alien to the party will lead to a method that will allow the party to deal capably with the 1993 presidential elections."

Diaz de Vivar greeted his fellow party members and friends who placed their personal efforts at the service of his ideas, working under strenuous conditions and a shortage of funds, convinced that they were striving for a new country with opportunities for everyone. He stated: "We know that they have not worked in vain because new ideas and creative and daring solutions require time and sustained efforts."

He concluded by urging his supporters to applaud sincerely the winner and to work for the ANR's victory in the 1993 presidential elections.

Colorado Candidate Calls for 'Unity'

PY2812234192 Asuncion ULTIMA HORA in Spanish 28 Dec 92 p 3

[Text] Noisy celebrations took place at the Argana-Ibanez Movement headquarters, where movement supporters celebrated the probable electoral victory of their candidates until early in the morning.

"Colorado Reconciliation" movement supporters celebrated with fireworks and bells while waiting for the

message Luis Maria Argana would deliver as the new Colorado Party presidential candidate [as published].

Argana pointed out in the speech delivered early this morning the importance of ensuring reconciliation among all Colorado Party members, and urged them to overcome hatred and resentment and open their arms in unity to all Colorado Party members. He also discussed an open and honest competition with the other presidential candidates on 9 May.

A remarkable event marking the occasion was the presence of Gustavo Diaz de Vivar and Julio Cesar Frutos, members of Ticket No. 3 of Colorado Party presidential hopefuls, and Division General Carlos Jorge Fretes Davalos of Ticket No. 5, who offered their congratulations and support to the members of the winning list. Commenting on their presence, Argana said: "This confirms that the basis for unity among Colorado Party members is well established. We believe this is the moment to forget hatred and resentment and to work, all together, for the grandeur of our party and our fatherland. This is why we open our arms and our hearts to receive all the Colorado Party members and to fight for this noble cause by forgetting past offenses and hardships and concentrating on the nationalistic grandeur of the ideology of General Bernardino Caballero [Colorado Party founder]."

"We know that the most dramatic stage of the Colorado Party fight for victory in the May elections is just beginning. All of us yearn for reconciliation among all Colorado Party members, which will lead to the final reconciliation of the entire Paraguayan people," he asserted.

"Contradictory Remarks"

Argana deemed the declarations of General Lino Oviedo, commander of the 1st Army Corps, "contradictory." Oviedo had openly supported Ticket No. 2, which is headed by engineer Juan Carlos Wasmosy.

Argana said: "His remarks are rather contradictory because on the one hand he calls for democracy, freedom of the people, and freedom of will. On the other hand, he talks about plans for a coup d'etat and other such things. I really could not understand what he meant."

Referring to his speech, Argana said: "The reconciliation we referred to includes all Colorado Party members, without any sort of discrimination. It also includes those who have maligned and slandered us. We want a united Colorado Party, and this is the objective of our government program."

He commented on relations with the high-ranking military chiefs and added: "I offer them a huge embrace." Regarding a possible interview with President Rodriguez, he said: "It may take place or not, but we believe that, as time goes by, differences will begin to disappear."

Wasmosy Campaign Charges Fraud

PY2912030092 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 0028 GMT 29 Dec 92

["Text" of communique issued by the Juan Carlos Wasmosy-Angel Roberto Seifart presidential ticket for the Colorado Party primary; read by Angel Roberto Seifart at the ticket's Asuncion headquarters—live]

[Text] Fellow party members, fellow citizens: The entire national and international public opinion bears witness to the responsibility and seriousness with which we have conducted our campaign for our nomination as National Republican Association [Colorado Party] candidates for the presidency and vice presidency of the Republic.

Our lips have never pronounced brazen insults or demagogic promises. We have never induced the people to harbor any rancorous sentiments against anyone. We have not taken advantage of the difficult economic context imposed by our condition of being a landlocked country that is shouldering a heavy foreign debt to exacerbate wants and necessities, confronting them with unattainable fancies in order to manipulate the people's will.

We have expressed ideas, programs, and future projects, without pausing to review the past and have resolutely, proudly, and honestly pursued our task and faced the future.

This realistic, honest, and rational stand has received the support of thousands of fervent supporters to whom we pay our heartfelt tribute. We thank them again for their efforts, which are not aimed at personally supporting us, but reflect Paraguayans' typical resolve and vocation for effort and work in order to build a happy fatherland for all citizens.

In keeping with this ethical stand, we have achieved a legitimate majority in the Colorado Party constituency. Our campaign records as well as the number of votes received in the 27 December elections bear witness to this fact.

We also have implemented a consistent and responsible electoral organization that has allowed these thousands of fellow party members to go to the ballot stations, legitimately achieving a victory that we are announcing without any hesitation and with the most solid conviction arising from an honest record of electoral results.

Nevertheless, this position was not followed by the other contenders who, reviving practices proper to a time when the people's will did not count and, thus, it was easy to rig the results of the elections, have jointly participated in the most repulsive fraud ever recorded in our annals.

Carrying their unscrupulousness and cynicism to a paroxysm, our contenders are even trying to delude public opinion, proclaiming themselves the winners of an electoral contest marked by inherited—and, obviously, still operative—fraud and corruption.

In fact, relying on our clean and unchallenged majority, all of a sudden we are receiving rigged and adulterated results. Nevertheless, we repeat, we were and we still are able to defeat any other candidate.

Nevertheless, we have dedicated ourselves to investigating the concrete fraudulent operations, and as we receive the reports of our political operators, the methods with which they are trying to implement this huge fraud become apparent.

Merely as an example, we will mention the following methods, making it clear that all of them have been recorded on affidavits we have filled out, as well as the papers used in the elections.

1. Fraudulent rigging of the voters' lists, clearly recorded in San Pedro and Alto Parana Departments, where the voters have been scattered and registered in other towns and electoral districts. Therefore, the total number of possible voters agrees with the department, but the names of the voters are conspicuously absent from the respective [voters' lists in their] towns. We will present documentary evidence of this claim to our party's Electoral Board.

2. In other cases, the fraudulent rigging of the voters' lists is grosser. The names of thousands of voters have simply been omitted. A case in point involves the brothers and relatives of Paraguari Department gubernatorial candidate Enrique Gonzalez Quintana, who were duly registered and who already had voted in the previous elections in August this year. Therefore, the same voters' lists should have been improved, not mutilated.

3. Another fraudulent action that can be proven through documents consisted of—with the complicity of the representatives of other electoral movements in the voting stations, we mean the Diaz de Vivar-Frutos and Fretes Davalos movements—openly increasing the amount of votes, taking advantage of the high level of absent voters, to impossible levels. We registered, through a notary public, the results of some voting stations in Fernando de la Mora, where 260 nonexistent voters voted, 375 nonexistent voters voted in another voting station, and 355 nonexistent voters in yet another one, when it is known that each voting station cannot register more than 200 possible voters.

4. Sheltered by the mentioned impunity obtained with the complicity of other movements that hastily congratulated the alleged victory, as is publicly known, they simply resorted to the trick of making thousands of nonexistent people vote. In effect, we have evidence that in many voting stations that were really attended by groups of voters who came in two or three buses, there appeared in the vote tally as if hundreds and thousands of voters had voted in favor of the alleged and fraudulent self-proclaimed winners. This has been possible only through bribery and fraud.

Certainly, the fleet of vehicles hired by our movement to transport voters broadly surpassed the amount of vehicles that could have been hired by the other movements. They never will be able to show the rental documents of vehicles that transported the amount of voters they say voted for them.

However, why should they need transportation if it was easier to invest in bribery and fraud at the voting stations? This is what happened in Caaguazu and in many other places from where we are receiving similar denouncements.

5. The media in general has echoed the small participation in the elections. However, this fact has an explanation. With the funds whose origins are well known, they have gone to the scandalous and immoral resort of taking advantage of humble citizens by buying their identification documents from them on election day to prevent them from honorably expressing their political preference. It is abominable and repulsive to further explain this endless chain of fraud, bribery, and blackmail, despite which, we repeat, we obtained a clean triumph.

However, in the face of the alarming proportions of the fraud, in the face of the enormous attack on political morality, we cannot allow such an outrageous violation. We could never be involved in such a horrendous attack on the dignity of the Colorado people. This is why we instructed our legal representatives not to, even though the events and rights have given us the victory, allow this fraud and corruption to smear us, and, therefore, for such reasons to demand from the Colorado Party Electoral Board the annulment of these internal elections and the calling of a new election with the presence of impartial international observers whose attendance we are now requesting for the benefit of the moral streamlining of our institutions.

It is fitting to ask ourselves, in the event—which we reject—the candidacy that is now self-proclaiming itself as the winner competes at a national level, what will be the position of other political parties' candidates? How would an election campaign develop without the restrictions imposed by basic norms of civilized coexistence? No one can participate in an election with such serious violations of the political morality.

This is why, although we continue struggling for the legal declaration of our legitimate and unquestionable victory, we believe it is our duty as honest citizens who love their motherland to make this declaration to appropriately clarify the facts in homage to the impartial citizens of the Republic. Thank you.

Argana Denies Wasmosy Fraud Charges

PY2912033092 Asuncion RPC Television Network in Spanish 0137 GMT 29 Dec 92

[Message from Luis Maria Argana, "winner of the Colorado Party primaries"; place not given—live]

[Text] Dear viewers and fellow party men: I do not want to overplay or get upset at the remarks contained in the document that Dr. Seifart just read on television sitting

side by side with engineer Wasmosy. I do want, however, to clearly repudiate their charges because they are absolutely false.

They accused our movement of committing the crimes, offenses, errors, and frauds that they themselves perpetrated in a desperate effort to win these primaries.

We all know that through an unconstitutional ruling they managed to postpone the elections from 15 November to 27 December. We all know they took advantage of that time to stage a fraud involving more than 100,000 identity cards. They had the party voter lists at their disposal, and they committed every possible irregularity. Displaying unbelievable arrogance, they violated every possible law: the electoral law, the national Constitution, all legal restrictions.

They have used all their ill-gotten wealth from what Argentine President Menem called a monument to corruption—the Yacyreta hydroelectric dam—and from the swindle of the century, as the Itaipu hydroelectric dam has been called, to corrupt the soul of the Colorado people, to buy their sovereignty, to buy their votes.

Obviously, at one point they came to believe in their own victory, and we saw Wasmosy and Seifart together announcing their victory at 2200 last night, as did Deputy Cristina Munoz. We even saw them already celebrating their victory.

Once they realized, however, that defeat was overwhelming, they cooked up this enormous and repulsive lie to deceive, once again, the Colorado people about their true intentions.

What kind of leaders are these people, who reject the clearly stated sovereign will of the people? They are complaining about the voters' lists. Well, they had those lists at their disposal one month longer than we did. They did as they pleased with those lists. They asked and obtained a postponement of 30 days through an unconstitutional ruling issued by an unconstitutional judge so that they could amend the lists to suit them.

Despite the Supreme Court of Justice ruling, they managed to register 80,000 people who originally had no identity cards. They got these people to vote and thought this meant victory for them. Despite these 80,000 fraudulent registrations, we have a clear lead over them.

Now they are accusing us of the very crimes they have perpetrated. Perhaps the voters' lists are not accurate; perhaps there are mistakes, caused by human error, not criminal intent. We have been hurt by these mistakes as well. More than 5,000 supporters of our ticket were unable to vote in Caaguazu. Around 1,000 or 1,500 of them did not vote in the town of San Pedro and in the entire department of San Pedro.

People were misregistered all over the country. My wife was not registered as Conteras Argana but rather, under another name at another voting station.

Gentlemen, I am asking these fellow party members who claim to have statesman's stature because they have chosen to run in presidential primaries to act as such and not like petty politicians running from court to court, seeking to win—through trickery, arguments, and lies about things that did not happen—what they have legally lost through votes.

President General Rodriguez himself has said that one must respect election results; that is what democracy is all about.

We believe that both Wasmosy and Seifart are better people than they are showing themselves to be. We certainly believe that perhaps the influence of alien factors more powerful than they are have led them to display an illegal, slanderous, and lying attitude that is very harmful to the Colorado Party's interests because it is aimed at indefinitely postponing the Colorado Party primaries so as not to accept the people's sovereign will.

They are saying that the primaries should be annulled. They are saying that they want OAS observers to come over. When we requested observers, they refused. Furthermore, we all know that the OAS does not send observers to party primaries.

I am asking these people to behave in a civilized manner, to behave in the spirit of justice, to accept the people's sovereign will, and not delay the preparations for 9 May, which all of us Colorados should begin immediately in spiritual unity.

Despite having my family, my honor, and my health as the targets of offense and slander from the very people who now are dressing in sheep's clothing, I am willing to open my arms and my heart to them, and I tell them that I am willing to forget all their offenses and ask them to behave democratically and to cease and desist from weird and illegal procedures that can only poison the souls of Paraguayans.

I ask these gentlemen who want and claim the stature of statesmen to behave as such, to seek the unity of the Colorado Party. I tell them that we are willing to open our doors, our hearts, and our arms to them and that we are willing to forget all the gratuitous offenses hurled at me by these people who today cloak themselves in chastity and honesty after having anonymously harmed and destroyed my honor throughout their campaign without daring to sign their charges and pamphlets, violating every human and divine law.

I thus urge the Colorado people to repudiate the kind of sad action that Seifart and Wasmosy have perpetrated tonight and to march forward together with us in this great crusade to win back power for the Colorado Party on 9 May.

Thank you very much, my dear fellow party members and viewers.

Rodriguez Urges Respect for Results

PY2912143292 Asuncion ABC COLOR in Spanish 29 Dec 92 p 11

[Text] Referring to the Colorado Party internal elections, President Andres Rodriguez yesterday stated that "the results of the ballot boxes must be respected." Luis Maria Argana and his running mate Juan Bautista Ybanez are the virtual winners of that electoral dispute. "The people are the sovereign electors. No one can question the results, because the people's decision and the result of the ballot boxes must be respected," Rodriguez said upon returning from Montevideo, Uruguay, where he participated in the third summit of Mercosur [Common Market of the South] countries.

When asked his opinion on the Colorado Party elections last Sunday, Rodriguez said that he was not aware of the results, noting that he left yesterday at 0600 for Montevideo and returned at 1915. "I do not know the results yet. There (in the Uruguayan capital) we had no newspapers, and so I would not like to give any opinion on the matter," he said.

He added that the winner of the Colorado Party internal elections has a commitment to the people, "because the people have placed their confidence in him."

Minister Reviews Accomplishments, New Tax System

PY2612211992 Asuncion ULTIMA HORA in Spanish 25 Dec 92 p 8

[Text] Paraguayan Finance Minister Juan Jose Diaz Perez reported yesterday that the main feature of the new tax system [Value Added Tax, VAT] has yielded 94 percent of the revenues expected from it, or approximately 120 billion guaranies.

Diaz Perez added that surveys conducted by foreign companies indicated that in November, 42 percent of taxpayers regularly asked for invoices, while in December 62 percent of the taxpayers were doing this, following the first drawing of the Fiscal Lottery [aimed at rewarding people who demand proper invoices from merchants, thus forcing them to pay VAT on their sales].

Revenues from the selective tax on consumption, another key tax, surpassed initial estimates, and the latest figures indicate that 46 billion guaranies were collected instead of the expected 43 billion.

As far as the fiscal budget is concerned, the minister said that there is no deficit, although he did not specify the final figures. He did say that by 23 December, 66 percent of the 1992 budget had been executed. He also explained that 87 percent of regular funds have been spent, and that the Ministry of Education spent 97 percent of the tax revenues allocated to it.

The minister downplayed negative indicators, and reiterated that they are played up as part of the electoral process which is under way so that the candidates may present themselves as the saviors of the people.

He strongly emphasized data favoring the current administration, such as the IMF's approval of the administration's report on the performance of the economy, and the construction of an average of 2,357 low-income houses per year since 1989, as opposed to the 268 average of the previous government. He explained that this investment gave employment to 18,000 fellow countrymen and fueled construction, which this year grew by 6 percent. Services also grew this year (6.5 percent), mainly due to the expansion of power supply.

Minister Diaz Perez also mentioned the increases experienced in the budgets of social interest ministries since 1989: education and worship, 933 percent; health, 948 percent; and agriculture and livestock, 1,478 percent (including funds allocated to the Agrarian Reform Institute and the Agricultural Development Fund).

He stressed that foreign lines of credit have been reopened after the overdue foreign debt was paid to Paris Club creditors and private banks ($30 million still remain to be paid). He emphasized that these payments allowed a net growth of 32 percent [incomplete sentence as published]

New Value Added Tax Affects Consumer Price Index

PY2612212092 Asuncion ULTIMA HORA in Spanish 25 Dec 92 p 10

[Excerpt] In a report designed to evaluate economic performance in 1992, the Paraguayan Central Bank emphasizes that the implementation of the Value Added Tax has been one of the main factors affecting the Consumer Price Index. This contradicts the statement made by Finance Minister Juan Jose Diaz Perez, who said that the implementation of this new tax would not cause any inflation, but that it would rather reduce costs to sellers.

The minimum salary readjustment and public bus fares also contributed to increasing prices.

The report says that the trade reforms, which included lower tax rates on imports, actions taken to prevent sudden climbs in the dollar exchange rate, and the offer of agricultural products, have had a favorable impact on internal prices. [passage omitted]

Peru

Car Bomb Explodes Outside Japanese Embassy

PA2812153092 Lima Radio Programas del Peru Network in Spanish 1458 GMT 28 Dec 92

[Text] On 28 December, 20 persons were injured when a car bomb exploded outside the Japanese Embassy on San Felipe Avenue in Lima's Jesus Maria neighborhood.

Bomb Causes 'Extensive Damage' to Chinese Embassy

PA2812160892 Lima Radio Programas del Peru Network in Spanish 1532 GMT 28 Dec 92

[Text] There has been a terrorist attack at the Chinese Embassy located in the San Isidro district of Lima. The explosion caused extensive damage and many injuries. Policemen are now beginning to evaluate the damage. A high-ranking police chief is also present.

General Alfonso Barrantes Avellaneda, commander of the 7th Region, is in command of the police operation here in San Isidro district. The police are arresting suspects near the diplomatic mission. We can also see parts of the car that exploded here moments ago. Civilian defense has also arrived to investigate.

The explosion has caused extensive damage: Glass from the windows is still falling and the police continue to evaluate the damage and are carrying out a sweep around Alfonso Ugarte Park.

We have been informed of an injured person who was removed by the members of the Voluntary Fire Department. The injured person suffered wounds to the face and the upper body.

More on Car Bombs at Japanese, Chinese Embassies

PA2812190792 Lima Radio Programas del Peru Network in Spanish 1800 GMT 28 Dec 92

[Text] The explosions of two car bombs on the morning of 28 December at the Japanese and Chinese Embassies in the Jesus Maria and San Isidro districts, respectively, left at least 10 persons injured.

Terrorists detonated a vehicle with 250 kg of dynamite at approximately 0930 on the fourth block of San Felipe Avenue in Jesus Maria district where the Japanese Embassy is located.

A few minutes later terrorists placed another car bomb outside the Chinese Embassy located on the 13th block of Javier Prado West Avenue in San Isidro district.

The injured were taken to the Edgardo (Redagliati) Hospital, San Felipe Clinic, and other medical centers.

Policemen captured a rebel after the attack near the Japanese Embassy.

[Begin unidentified reporter recording] There has been a shoot-out in front of the Japanese Embassy in Jesus Maria District. We had to leave our car and take cover behind the wall of a house on Arnaldo Marquez Street in Jesus Maria district.

At this moment the police are using their weapons due to the possible presence of terrorists who left a car bomb that exploded moments ago.

The National Police are carrying out an intense operation in coordination with the technical police. They are asking the reporters to clear the area because there are still rebels in the area.

A person has been arrested and the police have covered his face. They are taking him to a patrol car to take him to the Counterterrorism National Directorate.

This is, up to now, the result of the explosion of a car bomb at the corner of San Felipe Avenue and Arnaldo Marquez Street in Jesus Maria district in front of the Japanese Embassy.

The Fire Department has arrived to help the injured persons and take them to the ambulance. [end recording]

Shining Path Involvement Doubted

PA2912040892 Lima Global de Television Network in Spanish 0100 GMT 29 Dec 92

[Text] Interior Minister General Juan Briones has suggested that Shining Path is not responsible for the attacks on the Japanese and Chinese Embassies. He made the statement after closing the Police High Studies Center academic year .

[Begin recording] [Briones] We greatly regret these car bomb attacks against the Japanese and Chinese Embassies.

[Unidentified reporter] [Question indistinct]?

[Briones] We are reinforcing security measures to prevent such a situation from happening again. Based on the information I now have, there is some doubt about the origin of these attacks. We are gathering all possible information. I do not believe the attacks were carried out by Shining Path. Therefore, (?we are ruling them out) [words indistinct] later on. That is why I am saying that we have to investigate and we will then issue an official statement. [end recording]

Fujimori Spending Nights at 'Little Pentagon'

PA2912031792 Lima Global de Television Network in Spanish 0100 GMT 29 Dec 92

[Text] President Alberto Fujimori spent the morning of 28 December writing the last pages of the speech he will read at the installation of the Constituent Congress on 30 December. The president worked at the Army headquarters in San Borja, where he has been staying overnight since before the Christmas festivities. The points to be included in his speech are reportedly the general budget law for the legislature's approval, an amnesty initiative for coupist officers, and a bill that would open a debate on the approval of a death sentence for terrorist criminals.

The 28 December attacks on the Chinese and Japanese Embassies are reportedly the other reason why the president stayed at the little Pentagon. This forced the president to cancel his participation in the closing of the academic year at the Police High Studies Center. The interior

minister went in Fujimori's place and again expressed doubts about Shining Path's participation in the 28 December attacks.

Driving his own vehicle, President Fujimori arrived at the government palace at 1300. He remained there all afternoon issuing various decree laws and putting the finishing touches on the speech he will deliver on 30 December.

Terrorists Attack Police Station in Lima

PA2912130792 Lima Panamericana Television Network in Spanish 1200 GMT 29 Dec 92

[Text] Terrorists attacked the police station in Comas District, Lima, at the 11 km marker of Tupac Amaru Avenue on the evening of 28 December. During the attack the terrorists killed Private Isaac Chuquisuta and injured Sergeant Major Alfredo Cruz Conde. The police mounted an extensive operation to capture the criminals.

New Customs, Income Tax Regulations Issued

PA2812215592 Lima Radio Programas del Peru Network in Spanish 1800 GMT 28 Dec 92

[Text] The government issued the National Customs Superintendency basic law with Decree Law 26020 on 28 December. The law outlines the superintendency's functions, organization, and economic, financial and labor regimes. It also defines violations, outlines sanctions, and regulates the employer's fund.

The superintendency is authorized to increase its budget for the 1991 [as heard] fiscal year for purchases from (Icaza). The law authorizes a modification in auctioning expenses [gastos de remate] to 40 percent to be used for special operations to prevent contraband and tax evasion.

The government also promulgated a modification of the income tax law that classifies people as residents or nonresidents of the country according to their status at the beginning of each tax period. Changes that occur in the course of a tax period will not be taken into account until the next tax period unless the person ends his residency upon leaving the country.

Foreigners who enter the country on a temporary basis and do not generate income from Peruvian sources will fill out a document equivalent to a sworn tax declaration to be submitted on their departure.

Foreigners who are in the country on a labor contract will, upon departure, present to immigration authorities a letter from their employers or legal representatives certifying that their income tax has been deducted.

CCD's Torres y Torres Advocates 'Cabinet Government'

PA2812171592 Lima Panamericana Television Network in Spanish 0100 GMT 28 Dec 92

[Interview with Democratic Constituent Congress, CCD, member Carlos Torres y Torres Lara by reporter Jose Marino, date not given—recorded]

[Text] [Marino] In July the country will have a new Constitution. What modifications are being considered?

[Torres y Torres] In my opinion one issue is, for example, the idea of bolstering the cabinet, of having a cabinet government, within the presidential system but a cabinet government that will allow the Council of Ministers to be more effective and autonomous. The president has rejected this position; he feels that the presidential system should be kept as it is. These are the differences of opinion that we democratically and respectfully maintain.

[Marino] Will the Democratic Constituent Congress [CCD] be able to modify new decree laws?

[Torres y Torres] Totally. Decree laws will be subject to CCD revisions. They can be perfected, maintained as they are, or eventually abolished.

[Marino] Can the president dissolve Congress without meeting the requirement of censuring the cabinet three consecutive times?

[Torres y Torres] The CCD cannot be dissolved by the president. I believe, however, that a Congress established under a future government should be subject to the system that exists in many countries of the world: in the event of a situation involving extreme conflict between parliament and the executive branch, the president can dissolve the legislative branch and immediately call for elections. This, however, would not apply to the CCD but to a future congress, after the CCD concludes its work in 1995.

[Marino] The opposition is rather fearful regarding this Congress. They feel the new Constitution may be made to meet President Fujimori's needs. Can you guarantee this will not happen?

[Torres y Torres] The Constitution is a text that will be broadly discussed. Our goal is to finish it by the end of July 1993. Nevertheless, we worked during the election and even before the election on the changes that should be made. The people want changes. Many are inspired by the president's statements, which I agree with because they involve a group of people who have collaborated and worked with the president as ministers, party men, and so forth, and as such would tend to agree with him. This does not mean that our views never differ. We must manage to overcome the social, racial, and ethnic disharmony that exists. We must make the people feel they are participating with new rights not only to elect but to remove authorities, elect judges, demand information from the government and, in short, be involved in issues that will be reported as soon as possible. We have also offered to announce in early January the progress made in these areas; for example, the first chapter or title in the Constitution.

[Marino] Can a certain number of signatures, approximately 50,000 or 100,000, revoke or return a law to Congress for further discussion?

[Torres y Torres] Of course. That is a right that does not exist at present. We would like to give the people the right to request the discussion or abolition of a law with a

certain number of signatures. Instead of shelving their suggestions, the authorities would be obligated to first publish them in the state media and, after that, if there are sufficient signatures, the law would be obligatorily debated in Congress.

Government Promotes 69 Military, Police Officers

PA2812221592 Lima Radio Programas del Peru Network in Spanish 1800 GMT 28 Dec 92

[Text] The government has issued a law promoting 69 Peruvian Armed Forces and National Police officers. In the Peruvian Army, six brigadier generals will be promoted to division general, nine infantry colonels to brigadier general, and 13 cavalry, artillery, engineering, communications, and sanitation colonels to brigadier general. In the Navy, four rear admirals will be promoted to vice admiral and nine captains to rear admiral. In the Air Force, three major generals will be promoted to lieutenant general and 11 colonels to major general. In the National Police, 14 colonels will be promoted to general.

Venezuela

Foreign Minister Comments on Extradition Requests

PA2912031992 Caracas Venezolana de Television Network in Spanish 2350 GMT 28 Dec 92

[Text] Foreign Relations Minister Fernando Ochoa Antich announced at the Miraflores Presidential Palace that the Costa Rican Government has rejected the Venezuelan Supreme Court of Justice's extradition request for Blanca Ibanez de Lusinchi. He added that his office will issue a report in a few hours on the reasons why the Costa Rican Government dismissed the request.

[Begin Ochoa recording] I think this closes the case from the point of view that it is Costa Rica's sovereign right to grant the extradition or not. I will report to the Supreme Court of Justice, which will then study the situation. [end recording]

Minister Ochoa Antich also reported that the United States has accepted extradition requests filed against Jose Angel Ciliberto and Jorge Mogna, and the appropriate steps are now being taken.

The foreign minister concluded his announcement by commenting on the repatriation of Colombian convicts. He said the Justice Ministry is handling the procedure and affirmed that this recourse is currently being applied by all countries as a way of solving this type of penitentiary problem.

Guyana

Sam Hinds Views Bauxite Production as Problematic

FL2812140292 Bridgetown CANA in English 1241 GMT 28 Dec 92

[By Ric Mentus]

[Text] Georgetown, Guyana, Dec 28, CANA—The Australian mine management team which the Guyana Government, through the World Bank, has contracted to restructure the operations of the bauxite mine at Linden, 40 miles up the Demerara River, has projected that the enterprise could become a viable concern by 1994.

But Guyana's new prime minister, Sam Hinds, a metallurgical engineer who has worked with the company, now called Linmine, since 1967, is not that optimistic about the future of the industry.

In a position paper he prepared entitled "Whither Bauxite - A Radical Proposal", Hinds makes the point that "after 70 years of exploitation, it is not obvious whether the remaining bauxite deposits in Guyana could be exploited profitably any longer."

Hinds told CANA that Linmine had its most productive years from 1973 to 1975, just after it was nationalised by the Forbes Burnham government in 1971. "Then came the government's policy of "paramountcy of the party" and the company, like other enterprises throughout the country, began losing top management and technical staff", which he said started the decline in production.

The industry also faced two other problems, Hinds said, in the emergence on the world scene of other, larger producers of bauxite such as China and Brazil. The second problem was the high cost to the Guyana operation of removing the "overburden" of earth to get at the bauxite ore.

By 1982 the company had to close its alumina plant that produced the powdery material from which alumninum is made, because the loss of key staff resulted in poor maintenance and repairs not kept up, and the world market was becoming unprofitable.

The business at Linden was originally owned and operated by the Aluminium Company of Canada (Alcan), and Guyana President Dr. Cheddi Jagan, has said the Alcan subsidiary in Jamaica was showing an interest in taking over Linmine.

But Hinds feel there is "little or no chance" that the industry could be restored to its former position, bearing in mind current international trends.

Hinds said that a number of international firms had done studies of the Guyana bauxite situation - Kaiser Aluminium, Reynolds Aluminium, United States Steel and Norsk-Hydro - and the most favourable projection to come out of all those studies was that it would cost a minimum of

US100 million dollars to restore Linmine. But none of the companies felt it was worth the expense.

"To think of developing the bauxite industry in Guyana now and in the future," Hinds said, "you must first ask this question: Can you make it pay? The cost of removing the overburden in Guyana is about US15 dollars a tonne: In China it is about US6 dollars."

In his paper, the prime minister pointed out that although Guyana's bauxite was low in iron content which gave it an advantage in processing in the past, new technologies have taken away that edge by making cheaper bauxites equally attractive for turning out refractories and chemicals.

And because of Guyana's inability to meet quality and delivery deadlines, it lost its near world monopoly on the production and sale of refractory grade bauxite - the type used in making fire-resistant materials.

In view of this development, Hinds feels that it may be better for Guyana to concentrate on the production and sale of raw bauxite and forget the possibility of gaining from the value-added in the down-stream activity of alumina production.

As an indication of the poor state of the industry at present, he said Linmine in 1991 had earned US75 million dollars, but it had cost the company US80 million dollars to do that.

Shortly after the Alcan operations were nationalised in 1971, the Reynolds Metals Company plant at Kwakwani, a short distance away on the Berbice River, was also nationalised. Reynolds and the government entered a joint venture partnership (50-50) to mine bauxite not far from Kwakwani on a reserve previously held by Alcan.

This operation, Hinds said, was doing "reasonably well", selling both metal and chemical grade bauxite, and he believed it made a small profit last year.

The "radical proposal" Hinds suggested in his paper, called for the division of the industry into 20 component parts, "each a potential business on its own, any of which could readily accept local or foreign equity participation."

The activities of the companies would be co-ordinated by a holding company which would hold the government's share in the subsidiaries.

Under this scheme, each mine and plant would be separate companies, and services such as power and water supply, machinery repairs and fabrication, mineral assessment exploitation, marketing, trading, bulk storage and earth-moving equipment repairs would all be handled by separate companies.

"Specific production plans will have to be developed and coordinated," according to the proposal, "but we should do this with the possibility in mind that we would be managing for an orderly cessation of bauxite mining by the year 2010."

The proposal notes an assessment of the industry made by Kaiser Aluminium in 1983 that "this operation needs a 30 percent reduction in cost of production. Improvements in technological and financial areas can by themselves 20 percent, if it will come at all, will have to come out of changes in spirit."

And Hinds believes his proposal can create that change.

"It arises out of and should be implemented in an atmosphere of a radical change in our thinking and attitude to bauxite," he said.

He argued in his paper that since "our only advantage at this time is low-cost labour, we should be seeking to maximise the efficient and effective use of this resource to reduce expenditure on goods and services now imported."

He backed this up citing figures from the United States Bureau of Mines study which showed that in bauxite mining labour accounts for about 30 per cent of production costs, and 18 percent in alumina plants.

But in 1991 labour accounted for just four per cent of production costs at Linmine. What the Hinds proposal is suggesting is that if the cost of production of a tonne of ore at present is, say, 100 dollars - five percent labour and 95 per cent "other", largely imports - this should be reduced to 70 dollars - 15 dollars for labour and 55 dollars "other".

The Hinds document also makes three key observations/recommendations:

"1. Exploitation of bauxite should be continued only as long as it can provide us with opportunity to earn a better standard of living than any other we can arrange.

"2. Our remaining bauxite resources suffer serious, perhaps fatal, disadvantages - the high overburden-to-ore ratio, and the limitatiions on shipping out of Guyana" (due to the silting at the mouth of the Demerara River which prevents large ore carriers from reaching the plant at Linmine).

"3. We should change our attitude toward our bauxite deposits: We should look to 'high-grade' them, identifying and focusing on the most attractive portions for exploitation, with a 20-year horizon."

In his paper, Hinds mentions that the future of bauxite was related to the future of Guyana's "hilly sand and clay belt" where bauxite is found, and the towns like Linden, Kwakwani and Ituni which developed around the bauxite mines.

"We must try many, perhaps 100, other ways to make a living and break with the expectation of finding one product which shall replace bauxite and exercise total sway over the area as bauxite did," he suggests.